प्रो. रामदेव भंडारी: ये विरोधी हैं ...(व्यवधान)... ये राजनीति कर रहे हैं। ...(व्यवधान)...

श्री भारतेन्दु प्रकाश सिंहल : बिहार के बारे में भी सोचिए ...(व्यवधान)...

श्री सभापति : मंडे को होगा। देखिए आज का कालिंग अटेंशन भी बहुत गंभीर है। इस सारे सेशन में कालिंग अटेंशन के इंतजार में लोग बैठे हैं ...(व्यवधान)... The sense of the House was that this Calling Attention was very important and we should not give it up. Now, Leader of the Opposition, Dr. Manmohan Singh.

श्री रविशंकर प्रसाद : सभापति महोदय,मेरा स्पेशल मेंशन था ...(व्यवधान)...

श्री सभापति : वह भी मंडे को हो जाएगा ...(व्यवधान)...

CALLING ATTENTION TO A MATTER OF URGENT PUBLIC IMPORTANCE

Policy of Disinvestment in PSUs

DR. MANMOHAN SINGH (Assam): Mr. Chairman, Sir, I call the attention of the Minister of Disinvestment to the policy of disinvestment in PSUs, with reference to the methods of valuation of their assets, the non-transparent manner in which disinvestment is being done, and the remedial measures taken by Government with regard thereto.

THE MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE IN THE MINISTRY OF PLANNING, MINISTER OF STATE IN THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES OF THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS (SHRI ARUN SHOURIE): Mr. Chairman, Sir, in the last year and a half, two PSUs, Modern Food Industries (India) Limited and BALCO, have been disinvested. By contrast during this period, this is the 10th discussion in Parliament. In addition, since the Budget session last year, 529 questions, including 52 Starred ones, on the subject of disinvestment have been answered.

At present, the disinvestment process is in different stages in respect of 27 companies. We hope that transactions for these will be completed by the end of this financial year.

As we proceed with the cases, we are being brought face to face with a harsh reality, the real position of a large number of PSUs is totally out of sync with the public rhetoric about them. To take one example, 18 companies were referred by the Ministry of Heavy Industry to the Department of Disinvestment. Two were in such a condition that we had to return them to the Ministry after preliminary examination. We strove to interest bidders in others. Yet five more companies have had to be returned to the Ministry of Heavy Industry and one to the Department of Chemicals and Petrochemicals, because by the end no bidder was left at all. In case after case, once they commence their due diligence of the enterprise, the interest of the bidders starts waning drastically. Even in the case of prestigious companies like Air India or ITDC and profit making companies like VSNL, CMC and some others, the current number of Qualified Interested Parties is but half to a quarter of the number of parties that had filed Expressions of Interest. In the case of Modern Foods, 10 parties had initially filed Expressions of Interest; in the end only one bidder was left. In the case of BALCO, 7 bidders had filed Expressions of Interest, in the end only 2 bidders were left.

Apart from what they learn about the PSUs once they examine the books, etc., a factor that seems to be scaring away bidders is the din, and the avalanche of allegations that descends on parties once it becomes known that they are in the race for a PSU. More and more potential bidders are concluding that the condition of the enterprises is worse than they had assumed. The representative of a very important potential bidder for a flagship PSU eventually told me, "Mr. Minister, we are not able to see why we should pay you to take over your headaches." Moreover, given the atmosphere which has come about, the bidders have come to conclude that it will be much more difficult for them to turn the enterprise around than they had thought. And given the sorts of charges which have come to be hurled on some of the potential bidders, many are concluding that by staying in the race they would only be persisting -- and needlessly -- in a minefield.

Such developments are among the principal factors that have led international rating agencies to downgrade India as an investment destination.

Government continues to believe that swift implementation of the decisions taken by the Cabinet Committee on Disinvestment is the one way to restore these PSUs to health, and to protect the jobs of workers and

other employees. The two strategic sales that have been conducted recently bear testimony to this. In Modern Foods, bread sales in 2000-01 were 31 per cent higher than they were the previous year. In the first four months of 2001 they have been 80 per cent higher than they were in the corresponding period in 2000. Wages have increased on an average by around Rs.1600/- per employee per month. A Voluntary Retirement Scheme more generous than the one prevalent in Government has been instituted on the demand of employees. Rs.29 crores have been invested towards modernization, product and marketing development, and VRS payments. Retraining, and other programmes have been commenced to enhance productivity. Plant hygiene has been greatly improved. In BALCO, a 67 day strike by workers caused a staggering loss and damage to the production units. Since the strike was called off, the new management has made every effort to increase production and restore normalcy in operations. The plant is getting renovated. Interests of employees are well protected. The first signs of a new work culture are visible. One change will illustrate this. As hon. Members know, the plant of BALCO is in Korba. As long as it was a PSU, the Managing Director and other officers used to function not in Korba, but from Delhi. Today they are located in and function from Korba.

Based on the experience we have gained at each stage, we have in place today a detailed, systematic and transparent method of disinvestment. Together with the policy on disinvestment, it has been spelt out in Disinvestment: Policy and Procedures. We have also published other booklets about disinvestment in States, about BALCO and Modern Foods. These have been distributed, among others, to all Members of Parliament. The Department hosts a web-site *www.divest.nic.in* so that all relevant information is available to the widest number of stakeholders and the public at large.

Members will recall that an Adviser and some potential bidders were indicted by SEBI. Government concluded that instead of handling matters case by case, it should formulate Guidelines that would determine its decisions in all cases. These Guidelines were approved by the Cabinet Committee on Disinvestment on 6th July, 2001. They have been widely publicized. They have been distributed to Members of Parliament also in response to Question No.303 in the Rajya Sabha and Question No.291 in the Lok Sabha.

As has been mentioned on a number of earlier occasions, four valuation methods are being used: Discounted Cash Flow; Transaction

Multiple or Relative Valuation; Balance Sheet or the Net Asset Valuation; and Asset Valuation. The standard practice is to value going concerns primarily by the first three methods. We have decided to adopt even the Asset Valuation Method so as to ascertain what the worth of the company would be in the hypothetical or real eventuality of liquidation. Learning from our experience so far, we have refined the process of valuation and issued Guidelines in this regard. To minimize the possibility of controversies in an enterprise such as Air India, our Department requested the Chief Vigilance Commissioner and the Comptroller and Auditor General of India to join us in freezing the principles and assumptions for valuation. To my regret, after reflecting on the proposal, they have concluded that doing so would not be in consonance with their statutory functions.

While drafting the Share Holders' and Share Purchase Agreement in consultation with prospective bidders, we have striven hard to ensure that provisions are included to strengthen the health and prosperity of the company, to protect the interests of employees, and, most of all, to safeguard the security of the country. Provisions have also been included to preclude malpractices about which apprehensions have been expressed, in the House and outside, like asset stripping.

The Disinvestment Commission has been reconstituted. Dr. R.H. Patil has kindly agreed to head the Commission. Four other distinguished professionals have been selected to be members of the Commission in consultation with and on the advice of Dr. Patil. They are: Mr. N.V. Iyer, Mr. T.L. Shankar, Dr. V.V. Desai and Prof. K.S.R. Murthy.

As I mentioned, Government remains committed to disinvestment. We continue to believe that this is the one way to safeguard jobs in these enterprises, and the enterprises themselves. I appeal to all colleagues in the House to help create the atmosphere which will maximize the number of bidders in each transaction and to help ensure that this necessary element of the reform process proceeds apace. Thank you, Sir.

DR. MANMOHAN SINGH: Mr. Chairman, Sir, I thank the hon. Minister for the statement that he has made. In the last three or four days, important segments of the International Press have carried reports about the economic management in India and these are not very flattering reports. I may be wrong, but in one of the important financial newspapers, **The Financial Times of London**, the hon. Minister of Disinvestment himself is reported to have said that India was heading for a crisis. There is a

growing concern among India's friends abroad and interested public opinion about the way our economy is being managed. The hon. Minister has high credentials. I respect him. But it is my duty to point out to him that the way the disinvestment process is being carried out, it does not inspire confidence. Last year, this Government set for itself a target of Rs. 10,000 crores; it collected, I believe, less than Rs. 2,000 crores. This year's Budget has a still more ambitious target, and it is doubtful whether that target will also be realised. As far as the process of budget-making with this Government is cocnerned, it has become a norm that high promising, high targets are laid at the time of the Budget, but when the revised estimates come, sights are lowered, and when the accounts figures become available, I think, quietly, sights are further lowered. I think the Budget-making process itself has lost the transparency this country needs, if we have to appraise our public policies honestly and efficiently. Sir, with regard to the disinvestment process, we are not against disinvestment *per se*. We started this process. We do recognise that in the situation in which this country is placed, there is a role for disinvestment. The hon. Minister has himself mentioned that although this Government is trying very hard, there are not many takers for a large number of public sector units. This is a reflection, among other things, on the way our economy is being managed. You look at the valuation today of the national assets like VSNL and MTNL, and I submit to you, Sir, and through you, to the Government that if the market values of their shares have come down, it is basically because of the confused thinking of this Government in formulating basic policies with regard to Telecom and other sectors. But I am not going into the broader issues of economic policies. I was on the point that we are not against disinvestment *per se*. But in the given situation in our country, where nearly 80 per cent of India's financial sector happens to be in the public sector, a large scale programme of disinvestment cannot succeed unless you are willing to hand over a large number of these assets to foreigners, and on that point, there is no consensus. So, I think, the first point that I do wish to make is that you have to set your sight with regard to disinvestment at realistic levels. It is no use that at the time of Budget-making, you give rise to expectations which you yourself know that they will not be realised. The second point that I wish to make is that a policy of disinvestment should not be viewed in isolation. It should be viewed as an integral part of reforming and restructuring the public sector as a whole. I said that even if you wanted to sell the entire public sector to the private sector, I don't think the private sector in this country, in a situation in which 80 per cent of

India's financial sector is in the nationalised sector, has the resources to buy those assets. So, it is obligatory that we should spell out clearly what is it that we are trying to do. I submit to the Minister that when we say that this Government does not have a transparent disinvestment policy, our objection is that you are not viewing disinvestment as a part of a total process, a holistic restructuring and reforming of the public sector as a whole. In particular, Sir, I would like once again to go back to the basic issues. First of all, what are the objectives of disinvestment? From time to time, one hears different statements. Ministers come, Ministers go. At the time of Budget also, statements are made. But even today, there is no consistent way of answering the questions as to what the objectives are. First, Sir, it could be disinvestment to raise resources for further expansion. Let me say, we have no objection if you are using the disinvestment route to raise resources for expansion of well-functioning profit sector units.

The second question is: Are you having disinvestment to raise resources for debt reduction and social development? If that is the purpose of disinvestment, once again, we are not against disinvestment which will lead to reduction in public debt or which will lead to increase in social spending on desirable activities, most importantly health and education. However, I submit to the hon. Minister that we do not believe that disinvestment or privatisation is a panacea or it is necessarily an efficient rule to deal with all the underlying problems of the public sector, particularly in those cases where the public sector enterprises are running efficiently. They are making profits; they are capable of making profits under competitive conditions. Now if you want even the profit-making enterprises also to be privatised so that their 'public sector' character changes, then it is obligatory, I think, on the Government to come clean, come before this Parliament, to explain to the public at large why, in their view, it is necessary to privatise even the profit-making units. I can't think of any rational reasons why even the profit-making units, which make profits under competitive conditions, must necessarily be privatised. Therefore, I would like this Government to spell out whether they have different perceptions of the treatment of profit-making units under competitive conditions other than the way I have spelt out.

Sir, I would also like to say something more about disinvestment. Disinvesment is also a way to improve efficiency, to give market-orientation to our public enterprises, and we need that as a means of improving their efficiency. So I feel wherever pubic sector units are making reasonable

profits under competitive conditions, you can disinvest to give them more resources, but beyond that, if you change their 'public sector' character, we have not understood the logic of what this Government is planning to do.

Sir, we know that the Government has plans to disinvest in IPCL, VSNL, ITDC, oil sector, MTNL, and there are anxieties because these are national assets. They have been built up as a result of the toil, suffering and hard-work of the people of India and, therefore, we want an assurance that these assets would continue to be so managed that they would subserve the public good in the highest sense of the term. Sir, I ask, therefore, the first question. The Government should spell out what its objectives are, when it talks of disinvestment.

The second thing I do want to ask is: What is it that this Government has in view before it engages in disinvestment, or, as they say, privatisation? I think there are two routes. There are enterprises which are to be disinvested. Are you going to restructure those enterprises to increase their value before privatisation, before disinvestment? Or, are you going to leave them as they are? And on this will depend the amount of value that you will realise. Despite what is stated in the hon. Minister's statement, I do not believe that this Government has a consistent view of what to do before disinvestment, particularly with regard to restructuring all those enterprises. The only policy that I have seen in the newspapers is that cash-rich public sector enterprises are being robbed of those surpluses to help the budget; I am not against if high dividends are being paid by some of those enterprises to the Government, but I would like to be assured that these cash surpluses are being removed before disinvestment as a conscious act, that all alternatives have been considered, that this is the best possible way to serve the public good in our country.

There is a lot of discussion on this issue. But, I think, the Parliament needs to be taken into confidence as to what are the intentions of this Government, before it enters into an act of disinvestment, particularly, with regard to restructuring. I have already referred to the use of reserves and I don't want to touch the cash-rich oil sector, MTNL, VSNL, etc. They have a lot of cash reserves. What is the Government's policy with regard to the utilisation of those cash reserves? Will they remain the property of those enterprises? Or, will they be taken into the Budget before it enters into an act of disinvestment? I would like to know what is the Government's clear thinking.

The third question on which I seek clarifications is, how will we disinvest? In the last two cases, we have seen that this Government has gone through the route of strategic sales. I am not against strategic sales. But, there are other options also; let me say the way in which the strategic sales are being conducted. Where you have only one or two bidders, given the nature of our parliamentary system, the type of problems, about which the hon. Minister has been complaining, are bound to arise. Therefore, again, I submit to you, Mr. Minister, that you must explore other methods, which are more transparent--market sales of assets in a more transparent manner--to achieve your objective, rather than to say that strategic sales are the only route by which the process of disinvestment will be undertaken. I would like to know from the Government whether the Government would consider alternative routes to achieve the disinvestment target. We need a clear policy. If you feel that this cannot be a general rule for all enterprises, then, before you enter into negotiations with potential bidders, I think, you must take the country into confidence. If you are going to privatise IPCL, you must set out your goals, your objectives and your instrumentalities for achieving the disinvestment target. Unless you do that, I think the complaint about lack of transparency will persist and that will continue to bed evil the whole process of disinvestment.

Yet another issue is, in the last one or two years, other than the two cases which the hon. Minister has mentioned, I think, a large part of disinvestment--I say it with all responsibility--was a pseudo disinvestment, the cross-holding route. You have merely robbed the cash-rich public sector units in order to achieve your budgetary target. This is not disinvestment in the normal sense of the term. I would like to know from the hon. Minister, whether the Government, in the light of public criticism, in the light of what has been stated in many fora, would reconsider the use of cross-holding route in order to achieve the target of disinvestment.

There are several other cases where lack of transparency, lack of clarity, about the intention of this Government is raising doubts. I think the latest issue is with regard to security clearance. We do agree that security clearance is important. If these assets are going to be handed over to certain individuals, this nation, this Parliament, has every right to be assured that these assets will be used in the best possible interests of our country. But you cannot have dual standards for judging who is security worthy. Now, I don't want to name the enterprises. It has been widely reported that when it came to the bidding for one of our airlines, one particular

enterprise was ruled out on security consideration. Before you start this process in the case of a particular enterprise, the ground rules must be made explicit to everyone. It is not enough for the Minister to say that the Cabinet Committee on Disinvestment will decide case by case on who is security worthy or not. You must have ground rules which are well understood. For example, if a company which was considered eligible to take over BALCO, if that very company is disqualified in another bid, then people do put a question, "What is it that is being cleared in the name of security clearance? Is it a process of rewarding the Government's friends and penalising the Government's enemies?" I am not saying that it is necessarily true. But these questions do arise and you have an obligation to satisfy the public on that point. In the same way, there are issues about shareholders' agreement. How are shareholders' agreements entered into? Before you begin this process, you must come clean, you must spell it out and you should not revise them as you go along. Only yesterday, I read in the newspapers that there are apprehensions that the Singapore Airlines may withdraw from the joint bid that they have made for Air India because they are worried that even after strategic partners are introduced, the Government would still retain the right to give directives under the Air Transport Corporations Act. The newspapers have reported that the Government is considering to amend the shareholders' agreement. Now this is not the way to handle vital national assets that 'you show me a person and I will find a rule that fits in'. I am not saying that it is necessarily true. But the way this whole discussion about frequent modifications under compelling conditions, whether right or wrong, of shareholders' agreement and all that is going on, dilutes our people's faith in the processes of disinvestment. I, therefore, would like to know from the hon. Minister how he is going to ensure that the whole process of giving security clearance, the whole process of deciding on what will constitute the shareholders' agreement for a particular enterprise, is depoliticised and is made transparent. If you do not do that, there will always be problems with regard to the processes of disinvestment.

Sir, my final point is with regard to the proceeds of disinvestment. As I said, if disinvestment is being used to give more money to public sector units to expand, I don't think anybody would object to it. We will not object if it is being used to reduce public debt. We will not object if it is being used to find more resources for social sector investments. Quite honestly, the way India is placed, the way this Government is managing the overall fiscal situation, it is disastrous. In the last four or five years the

fiscal situation in India has deteriorated. It has given rise to anxieties all over the world. In this situation, to say that we are disinvesting because we will thereby reduce the debt, because we will thereby put more resources in the social sectors, is not a credible statement. I would like to submit to the hon. Minister that if you are really serious that you are not using the proceeds of the sales of these national assets to prop up current consumption, we must find other ways in which these proceeds can become a truly national trust. One idea occurs to me. When we all agree that you need to disinvest, you should set aside these proceeds in a national equity fund. We are selling capital assets. These capital assets must not be used to prop up current consumption. They must be used to enlarge the capital base of our country. They must be a source of additional wealth. Therefore, I submit that you should think of creating a national equity fund. The proceeds of disinvestment should go into that national equity fund. Those proceeds should be invested in profitable companies and the dividend and interest earned thereon, can be used for investment in education and basic health services. But the way the whole process is being done, I think, the impression persists -- and it is a right impression -- that despite all these tall talk of social sector development, the purpose of disinvestment is no more than filling the budgetary gap. So, I do hope that when the hon. Minister, for whom I have great regard and respect, replies, he would try to answer some of the queries that I have raised here.

MR. CHAIRMAN: Shri Rajeev Shukla. Not present. Shri Vijay J. Darda. Not present. Shri Nilotpal Basu.

SHRI NILOTPAL BASU (West Bengal): Mr. Chairman, Sir, I am afraid, impatience is an anachronism in democracy. I have to make this observation because I find, in the very first paragraph of the statement made by the Disinvestment Minister, an implicit contempt for the parliamentary process rather than a statement of facts. In fact, I have a question for the Disinvestment Minister on this very aspect. Sir, by definition, public sector units are companies where more than 50 per cent shares are held by the President of India and, I think, our Constitution is very, very explicit on this question that Parliament is the custodian of all the assets of the country, which are held by the President and, therefore, Parliament has thousand times the right to scrutinise, time and again, how the Executive, at a given point of time, is doing with those assets, particularly, at the time of disposing of those assets. So, I think, if any

implicit contempt was attempted in the first paragraph, perhaps, that was misplaced, and, I think, in the very beginning, the Minister must remove any misconception that is there in this first paragraph.

The second aspect is, how the references, made in the first paragraph, are misplaced is also borne out by facts. I refer to Unstarred Question No.3176 on 16th April, 2001, put by my friend, Mr. Dipankar Mukherjee, for whom, actually, I am a proxy today. He raised questions about the Modern Food Industries. His questions were: "When was the Modern Food disinvested and when was the whole case of disinvestment of Modern Food referred to the CAG?" The answers are very specific. The reply states: "It was disinvested on 31st January, 2000, and the CAG had got the references from the Government in November-December, 2000." So, almost a year was taken by the Government to refer the Modern Food Industries' case to the CAG. Now, I would like to remind the House, through you, that on the disinvestment of Modern Food, we had no discussion on the floor of this House. Now, in the other case pertaining to BALCO, which has drawn the attention of this House in a very big way, and, perhaps, also the attention of the other House and that of the media, I think, the time gap between the actual disinvestment and the reference to the CAG has been much, much shorter, so much so that we are already aware that the Government had to now, actually, prepare guidelines, new guidelines, about security consideration, about strictures by regulators and other Government authorities.

So much so that one of the successful bidders, who has got to manage the BALCO now, is actually found to be indicted by the regulator. I don't know, Sir. What is the meaning of democracy? What is the meaning of transparency? The hon. Minister has to clarify this, specifically with reference to the statements he has made on the 27th of February, 2001 in this very House. I was saying this because these issues, about the track record of that particular company, were pointed out, and specific references were made to the on-going case in the Securities and Exchange Board of India, about the possible indictment by the SEBI and the position taken by the Government at that point of time and the subsequent situation that had arisen as to whether it added to the credibility of the disinvestment process -- for which the Minister in his statement has specifically passed on the buck to those of us who are raising questions about the entire process of disinvestment, which I find quite amusing.

My second question is about evaluation and transparency. I understand that our Constitution is very explicit that the Government is a collective entity and the approach of the Government has also to be uniform. I referred to this specifically because we were discussing currently, in a big way, the big crisis in the steel industry and, particularly, with reference to the Steel Authority of India Limited. Now, SAIL, in trying to have a turn-around strategy, decided to sell its captive power plant units to another public sector company called the National Thermal Power Corporation. So, what the SAIL had done was that they referred the whole issue to another public sector techno-economic consultant called MECON, for evaluation of the possible value of assets which they had in Bokaro, Rourkela and Durgapur -- the 260 MW vintage plants of 1987-88. MECON assessed the value of these assets. And this was again in response to the Unstarred Question No.4322 on 25th April; the 240 MW plant was assessed at Rs.391 crores. But, Sir, the method is important. MECON has used the method called Asset Valuation to which, I don't know, the Ministry of Disinvestment has some kind of anathema; particularly, the replacement cost has been applied in arriving at the value of assets which SAIL sold to NTPC. But what did BALCO do? In the case of BALCO, the method, which is very favourite method for the Ministry, was of 'discounted cash flow' for a 'going' industry. That is the term you have used. What is the assessment? Again, it is your answer only, Mr. Minister. According to the reply to the the Unstarred Question No.3170 of 16th April, for 270 MW, the evaluation was only Rs.364 crores at the rate at which SAIL sold its assets if the same formula was applied, same rates were applied, because BALCO power plants were also of the same 1987-88 vintage as the SAIL assets. Now, again, I reiterate that I don't understand economics, like you, but I have been trained to be an engineer. So, at least, this part, I understand, that comparable technology, comparable vintage, should be equal in terms of price. So, at that rate, what should be the price for the 270 megawatt power plant of BALCO? We should have got Rs.440 crores. Now, I would also like to remind the whole House, Sir, through you, that the entire value of the assets of BALCO was -- you would be knowing better than me -- I think, you will have the prerogative of answering at the end -- around Rs.530 crores. Rs.440 crores for the power plant alone, I mean, on the basis of the same method! What I want to say is that the power plants were under-assessed by the discounted cash flow method because we discussed this, Sir, that for an aluminium company -- Mr. Birla will, perhaps, bear me out -- captive power is a critical input. Therefore, in terms of future earning

potential, the contribution of that power plant would have been much, much more than the asset valuation method. You know the way the SAIL hived it off and sold it to the National Thermal Power Corporation. Is this the same Government? Is the SAIL under the same Government which is led by hon. Shri Atal Bihari Vajpayee? This is a very, very important question which has to be subsequently answered. Why were different methods adopted for different processes of disposing of assets or dealing with certain assets?

Sir, I charge this Government with eroding the values of the assets that we are selling, in terms of the disinvestment process. Why are we saying this? Dr. Singh, very rightly, referred to the very interesting decision of the Government which it took the year before last, that for meeting the disinvestment targets, there was equity swapping between the three major oil companies. What was the effect? The Government got in its kitty Rs.10,000 crores from these cash-rich companies, but these companies totally lost about Rs.23,000 crores, in terms of the reduction in market capitalisation. What happened subsequently? The GAIL disinvestment process was there where you messed it up, and you did not get the right kind of price for six-and-a-half per cent equity of GAIL. If we raise these questions, if we have such discussions in the House, time and again, you are charging us that that is anti-national, that we are anti-best price realisation for the assets of the public sector units. Sir, I am really aghast that this charge should have been made by the Government.

Then, the same thing happened in the case of Air India as well. Now, I cannot share a lot of information with the House because I happen to be a member of the Joint Parliamentary Committee which is going into the stock market scam. But, Sir, what is public knowledge, what is in the public domain, I can share, where I have developed some insight, along with my association with the Committee -- that is, in 1999, 2000 and 2001, there was a sharp drop in the share prices of the public sector units.

The more zeal you show in selling the PSUs, in the name of strategic sale, and the more you begin to show your desperation, the more it is coming down. I can tell you, Sir, what is happening in the case of Air India. Earlier also, there was this question. We are hiving it off. It could have contributed very significantly to the future earning potential of the company. You had admitted in the House about the ground handling facilities; that it was a profit earning activity of Air India; and you hived it off; you have opened it to competition. You have sold out to our airlines, through bilateral agreements, the lucrative routes.

Mr. Chairman, Sir, I would say to the Minister that the more we give such notices, discussions, and such questions, maybe, the private companies would start paying us very handsomely. We can charge them. They will not get such a free and wide publicity--Hindustan Lever and Sterlite--from the Minister himself on the Floor of the House. How well BALCO is being managed? How well Modern Food is being managed? They never expected it. As and when we give questions and notices like this, they will benefit.

With regard to Air India, there is an erosion in its value because the critical component, which could have contributed to the future earning potential, has been hived off, after the decision has been taken on disinvestment. The story is most pathetic in the case of Videsh Sanchar Nigam Limited. It was a Navaratna company, which, at one point of time was earning the highest amount of profits.

Why do I say this? India fought in the WTO, tooth and nail. What was arrived at in the WTO Telecommunication Services Agreement. As late as in 1998, it was agreed that India would review the monopoly of VSNL, in terms of providing long-distance international telephone connectivity, only after 2004. Ninety-one per cent of the revenues of VSNL is from the long-distance connectivity. What has the Government done now? In September, 2000, all of a sudden, the Government decided to withdraw the monopoly, to prepone that date, and not to review it by 2004. Before this could happen, in September, 2000, your Ministers went around the country and started announcing that the Government would rethink on the date of 2004.

Insider information was passed on to the market and the share prices of VSNL started tumbling like nine pins. Today, the VSNL shares are traded at Rs.300, which was quoting at Rs.3000 at one point of time. This decision was taken after the Government decided to go in for disinvestment.

MR. CHAIRMAN: Now, it is getting one o'clock. Would you like to sit through the lunch hour?

SOME HON. MEMBERS: Yes, Sir.

SHRI NILOTPAL BASU: So, this was one decision which has affected the possible valuation of the assets of VSNL. Why did we prepone the decision, to go in for reviewing the monopoly, even after we decided to go in for disinvestment?

1.00 P.M.

The VSNL has Rs.4000 crores of cash money. It is a cash-rich company. The VSNL had applied for getting the contract for providing licences for cellular telephones. It was not allowed to participate in that bid. What was the logic? They said, "No, other Government entities are also bidding, so you cannot bid." Many people pointed out that there was no need for going in for the fourth round right then because only three or four circles were there. The Minister said, "No, for these three or four circles, we need to have more competition." After the bidding, it was found that out of four circles, only for three circles there were bidders. Still the VSNL was not allowed. Now cellular is a growing business. The Cellular Operators Association of India says that they have a market for 50 million subscribers in this country and the current level of subscribers is only four million. So it is a profitable business. Addition of cellular business would have increased the valuation of the VSNL.

[THE VICE-CHAIRMAN (SHRI RAMA SHANKER KAUSHIK) in the Chair]

By disallowing the VSNL to participate in the bid for the fourth round of cellular licences, the Government has actually adversely impacted the possible value that could be realised from the selling of the VSNL. Sir, I will finally say something about the on-going processes. Why does it happen? I just referred to the Sterlite and BALCO case. By the present guidelines, by your own standards that you have set for yourself after the July circular, the Sterlite would have never got the BALCO. So some question mark is there. The hon. Minister was contesting the role of Morgan Stanley in the case of Air India. So I have again checked up. In the bear hammering phase of the market crash, there is a clear evidence established by the SEBI that in the trading of shares of major IT companies, the Infoysis and the Satyam Computers, the Morgan Stanley, the broker, the FII, has played a role. It has been pointed out. It will be very unfortunate if you are unaware of this as you were the other day. *(Time-bell)* Finally, additional information on this is this. The Morgan Stanley who happened to be the Government advisor in the case of disinvestment of Air India happens to be the advisor of one of the major parties in the fray in the case of the VSNL. The Tata Company which is a major player in the Air India bid, has appointed the Morgan Stanley as its own advisor in the case of the VSNL disinvestment process. I do not know whether you are aware of this. I can give you, Sir, for the benefit of the House, the name of the person also. I would like to know whether there is any conflict of interest or not because

the Disinvestment Minister is credited to be a man of great integrity. He will surely come out with the fact. Finally, in the case of VSNL also, the global advisor is the Credit Sews Fas Boston. It has also been indicted by the SEBI for its role in the share market. Sir, today the share market is in a shambles, in a total mess, as Dr. Singh was saying. Many of these entities, the global advisors, investors, bankers, etc., of whom we get to hear so often, have a seamy side. And, the new guidelines that you have issued, I think, will create greater problems because there is not a single case of disinvestment that you can show us...

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : कृपया समाप्त करें।

SHRI NILOTPAL BASU: ...where there is no stink of wrong doing. Finally, I was also very surprised to find this underlined portion in your statement.

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : कृपया समाप्त करें।

SHRI NILOTPAL BASU: Your frustration is there. There are no takers for most of the companies.

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : कृपया समाप्त करें।

SHRI NILOTPAL BASU: But the whole issue in the beginning of the disinvestment process was this. The investment of the country is locked up in sick companies and companies that are not doing well, and the money in these companies will be realised by the process of disinvestment. So, why this frustration? With this, and with the hope that the hon. Minister would reply to the specific questions that I had raised, I conclude my speech. Thank you.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI O. RAJAGOPAL): Sir, according to the rule on Calling Attention Motions, the initial speaker is allowed to speak for seven minutes, and other speakers would be given five minutes ...*(Interruptions)*... I am just bringing this to your kind notice.

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : बहुत महत्वपूर्ण प्रश्न है इसलिए थोड़ा समय का ध्यान रखें। वे केवल नियम का हवाला दे रहे थे। ढाई बजे तक हम इसे खत्म कर देंगे। माननीय मंत्री का भी इस पर ढाई बजे तक जवाब हो जाएगा। उससे पहले ही समाप्त करना है इसलिए मैं सभी माननीय सदस्यों से यह अनुरोध तो जरूर करूंगा कि इस विषय पर बहुत से सदस्य बोलना चाहते हैं इसलिए थोड़ा-थोड़ा समय लें।

श्री जनेश्वर मिश्र (उत्तर प्रदेश) : उपसभाध्यक्ष जी, धन्यवाद। मैं समझ नहीं पा रहा हूं कि इस बात को कैसे उठाया जाए। अपने जवाब के आखिरी पैरा में मंत्री महोदय ने कहा है कि, जैसा कि मैंने उल्लेख किया है कि सरकार विनिवेश के प्रति वचनबद्ध है। जब दिमाग बंद कर लिया और स्वयं को किसी विषय पर टोटली कमीटड घोषित कर दिया जाइ और उसके बाद उस विषय के परिणाम, दुष्परिणाम, असद्परिणाम के बारे में किसी पंचायत में कैसे बहस हो सकती है, यह मैं नहीं समझ सकता। इस वाक्य को पढ़ने के बाद मुझे लगा कि यह ध्यानाकर्षण प्रस्ताव लगभग निरर्थक है क्योंकि सरकार ने एक तरह से जिद कर ली है, मंत्री जी ने इस सदन में भी बयान दिया है, मंत्री जी लिखने-पढ़ने में भी बड़े काबिल आदमी हैं। जब वे इस सदन के सदस्य नहीं थे तो इनके लिखे हुए लेख हम पढ़ा करते थे। उनके लिए हमारे मन में बहुत श्रद्धा थी और अब भी है लेकिन सरकार के प्रतिनिधि के रूप में ये जो कुछ भी लिख रहे हैं और बोल रहे हैं उसके बाद बातचीत करने की गुंजाइश नहीं रह जाती। मैं इस राय का नहीं था कि इस पर लंबी बहस की जाए क्योंकि सरकार जिद पर है। जब कभी कोई पक्ष जिद पर हो और खास तौर से ऐसा पक्ष जो मजबूत हो तो उसे बातचीत से नहीं समझा जा सकता। लेकिन उन्होंने अपने बयान के दौरान कुछ बातें कह दी हैं। जैसे उन्होंने मॉडर्न फूड के बारे में कहा कि केवल एक ही बिडर है। अगर मैं कहूं कि यह सत्य नहीं है या अर्द्धसत्य है तो हमारे सत्ता पक्ष के लोग हमसे नाराज हो जाएंगे। लेकिन हम एक अखबार में सी.ए.जी. के हवाले से रिपोर्ट पढ़ रहे थे,- चतुर्वेदी जी आप भी किसी जमाने में सी.ए.जी. थे, उसमें लिखा हुआ है कि सी.ए.जी. का मानना है कि उन दूसरी कंपनियों को जो मॉडर्न फूड खरीद सकती थीं। उन्हें उसके आंकलन के लिए पर्याप्त समय नहीं दिया गया। इनमें एक ब्रिटेनिया भी थी जिसने एक पखवाड़े का समय और मांगा था। लेकिन उसकी गुजारिश ठुकरा दी गई। नतीजा यह हुआ कि माडर्न फूड के लिए एक ही खरीदार हिन्दुस्तान लीवर बच गया। सीएजी की इस राय के बाद अगर मैं शक करूं तो कहा जा सकता है कि इसमें चाल बाजी की गई है। लेकिन लोग तो हमसे यही कहेंगे क्योंकि तुम विपक्षी दल में हो, इसलिए तुम्हारा काम ही सरकार पर शक करना है।

श्री अरुण शौरी : मिश्रा जी, मैं एक चीज कहना चाहता हूं, सर प्लीज बिलीव मी, सी.ए.जी. की कोई फाइनल रिपोर्ट हमारे पास नहीं आई है। यह पता नहीं पहले कैसे जनसत्ता में छपा और फिर एक-दो और अखबारों में छपा। सी.ए.जी. की कोई फाइनल रिपोर्ट माडर्न फूड पर नहीं है। जैसा डाक्टर साहब जानते हैं, चतुर्वेदी जी जानते हैं, इसकी चार स्टेजेज होती हैं। उन्होंने पहली बार 12 क्वेश्चन पूछे थे और आबजर्वेशन दी थी। उन पर कमेंट्स दी गई। उसके बाद फिर उन्होंने 9 को छोड़ दिया और 3 पर सवाल पूछे। उन पर उनको कमेंट्स भेजे गए हैं। अभी फाइनल रिपोर्ट नहीं आई है। जैसा आप कह रहे हैं मैं उनका नोट ले रहा हूं। लेकिन अगर इसके आधार पर आप ऐसा कहें, ऐसा एजम्पशन लें तो यह अन-नैसेसरी है।

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : वैसे क्या सरकार ने इसका खंडन किया है? जो अखबारों में छपा है क्या उसका सरकार ने खंडन किया है?

श्री अरुण शौरी : मैं आपसे अर्ज करूंगा कि आजकल कारपोरेट राइवल्स इतनी चीजें प्लांट कर रहे हैं कि अगर मैं उनकी सब बातों का खंडन करता रहूं तो यकीन कीजिए कि मैं अपना काम कुछ नहीं कर पाऊंगा।

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : लेकिन माननीय मंत्री जी, यह तो बहुत महत्वपूर्ण प्रश्न है।

श्री अरुण शौरी : इस डिबेट का बहुत ही ज्यादा फायदा होता है। कल मैंने हाउस में कहा, मैंने लोकसभा में भी कहा और यहां भी कहा। इसमें खंडन करने का अच्छा मौका है।

श्री जनेश्वर मिश्र : मंत्री जी ने सफाई दी कि सी.ए.जी की अभी कोई फाइनल रिपोर्ट नहीं आई है। अखबारों में यह बात छप गई और देश में चली गई। महोदय, अभी आपके पूछने पर कि सरकार ने इसका खंडन किया या नहीं किया, मंत्री जी ने कहा कि बहुत सी बातें अखबारों में छपती रहती हैं, इसकी सरकार की जिम्मेदारी नहीं है। लेकिन महोदय, जब सी.ए.जी का हवाला देकर कोई बात अखबार में छप जाए तो उसका खंडन होना चाहिए। माननीय चतुर्वेदी जी यहां बैठे हुए हैं। उनकी रिपोर्ट को लेकर बोफोर्स वाले मामले में हम लोगों ने दिल्ली की सरकार को पलट दिया था। आपको पता है कि सी.ए.जी की रिपोर्ट बड़ी महत्वपूर्ण रिपोर्ट मानी जाती है। उसका हवाला देकर अखबारों में छप गया और सरकार चुप है। ...(व्यवधान)... सिंहल जी जरा सुनिए। बीच में टोकाटोकी मत कीजिए। हम टोकाटोकी कभी नहीं करते। यह बहुत गंभीर मामला है। मान लीजिए कि आप जो कह रहे हैं वही सही है लेकिन ये बातें अखबारों में छपकर देश की जनता के सामने आ गई हैं। ऐसी परिस्थिति में आप कैसे अपनी सफाई देंगे क्योंकि फिर कई तरह के आरोप लगने लगते हैं कि कहीं न कहीं गुपचुप तरीके से समझौता तो नहीं हो रहा है। मैं जानता हूं कि मंत्री महोदय ईमानदार हैं लेकिन मैं जानता हूं कि सरकार में कई लोग ऐसे हैं, चाहे मंत्रालय में हो या मंत्रालय के बाहर हों, जिनकी ईमानदारी पर अक्सर उंगली उठती है। जिस तरह से बाल्को के बारे में समझौता हुआ वह सब को मालूम है। यह जो हिन्दुस्तान लीवर है यह पावरोटी बनाना नहीं जानता। जब कभी भी कोई आंकलन हो, जब कभी भी कोई सौदा सरकारी उपक्रम का हो तो उसमें यह देखना ही चाहिए कि वह यह काम कर लेगा या नहीं कर सकेगा। कोई भी काम केवल पैसा लगाने से नहीं हुआ करता। उसके काम करने की क्षमता, उसके तौर तरीके, उसकी महारथ इस काम पर है या नहीं यह जानना बहुत जरूरी हुआ करता है। ब्रिटेनिया बिस्कुट यह बनाने लायक था और उसने 15 दिन का समय मांगा था। लेकिन माडर्न फूड वालों को नहीं दिया और इस कंपनी को दे दिया जिसका इससे कोई रिश्ता नहीं था। यह विनिवेश तो कहलायेगा नहीं, डा. मनमोहन सिंह और नरसिंह राव जी के जमाने में यह शब्द, विनिवेश आया था। उस समय माना जाता था कि जो कंपनियां हम से नहीं चल पा रही हैं, घाटे में हैं उनके पुनरुद्धार के लिए उसको कुछ हिस्सा बेचकर उसकी मरम्मत का इंतजाम किया जाए और काम लायक बनाया जाए। उस समय हम लोगों ने भी विरोध किया था, सत्ता में जो लोग आज बैठे हुए हैं, उन लोगों ने भी विरोध किया था। लेकिन आज केवल घाटे की कंपनियों के लिए नहीं और उनके पुनरुद्धार के लिए नहीं बल्कि आज मुनाफे की कंपनियों को जिसकी तरफ अभी कई माननीय सदस्यों ने खास तौर से बाल्को की तरफ इशारा किया, बेचा जा रहा है। इसको विनिवेशीकरण नहीं कहा जाता है, इसको निजीकरण कहा जाता है। विनिवेश शब्द का इस्तेमाल अटल जी किया करते थे लेकिन मेरा ख्याल है कि वित्त मंत्री साहब ने इसको बिलकुल निजीकरण का शब्द दे दिया है। विनिवेश में कुछ सैंकड़ा, ज्यादा सैंकड़ा सरकार का होता है, समाज का होता है और यह इसलिए नहीं है कि 1956 के जमाने में या 50 के दशक में जब सरकारी उपक्रम खुलने लगे थे तो आजादी की लड़ाई के जमाने का यह सपना था कि जब देश आजाद होगा, देश के कल-कारखाने देश के होंगे, राष्ट्र के होंगे। उस सपने को साकार करने के लिए 1955-56 के जमाने से यह कोशिश की गई थी, उस जमाने के सरकारी उपक्रम मुनाफा दिया

करते थे। जब से राजनीतिक दखल अंदाजी शुरू हुई यह कुछ घाटे में चलने लगे। किसी भी कल-कारखाने की एक जिन्दगी हुआ करती है, मियाद हुआ करती है, जैसे आदमी की काम करने की मियाद होती है, उसी तरह से हर चीज़ की मियाद होती है, इस इमारत की भी अपनी मियाद है। कल-कारखाना थोड़े दिनों के बाद जब पुराना पड़ने लगता है तो उसकी उत्पादक क्षमता पर प्रश्न चिन्ह लगने लगते हैं और अगर उसमें राजनीतिक दखल अंदाजी या कोई भी बाहरी दखल अंदाजी होने लगे तो वह क्षमता बिलकुल समाप्त हो जाती है। निजीकरण में और सार्वजनिक उपक्रम में यह फर्क है कि सार्वजनिक उपक्रम के अधिकारी और मालिक फिजूलखर्ची और अय्याशी पर ज्यादा खर्च करते हैं और निजी कल-कारखानों के मालिक और अधिकारी फिजूलखर्ची और अय्याशी पर तो नहीं लेकिन मुनाफाखोरी पर ज्यादा निगाहें रखते हैं। दोनों के चरित्र में बुनियादी तौर पर यही फर्क है। लेकिन जिस तरह से दरवाजा खोला गया है, यह बड़ा ही खतरनाक है। सरकार की तरफ से यह जवाब दिया जा रहा है, कई बार यह बयान हमने पढ़ा कि सरकार का काम कल-कारखाना चलाना नहीं है, सरकार का काम देश की आम जनता के कल्याण के लिए बड़े बड़े काम करना है। वह कौन से बड़े काम हैं, यह जानना पड़ेगा। एक बार हमने प्रधानमंत्री जी का भाषण अखबार में पढ़ा, हम माथा पीटने लगे। नौजवानों के बीच में उन्होंने कहा कि सरकार का धर्म नौजवानों तुम्हें काम देना नहीं है, अपने काम का वह खुद इंतज़ाम करो, जो लोग काम कर रहे हैं उनमें से 10 सैकड़ा छटनी करेंगे। सरकार का काम नौजवानों को काम देना नहीं है, नौजवानों को तालीम देना नहीं है। मैं जान बूझ कर के इस शब्द का इस्तेमाल कर रहा हूं। हिन्दुस्तान की शिक्षा व्यवस्था कैसी हो, वर्तमान सरकार ने एक बिरला साहब के लड़के और एक अम्बानी साहब के लड़के को, दो की एक कमेटी बना दी है। उन्होंने सिफारिश की है कि उच्च शिक्षा सरकार न चलाया करे, वह प्राइवेट हाथों को दे दी जाए तभी बढ़िया होगी। पहले आचार्य नरेन्द्र देव कमेटी बनती थी, डा. राधाकृष्णन आयोग बनता था, मुदालियर कमीशन बनता था, समझ में आता था, कोठारी कमीशन बनता था।

श्री भारतेन्दु प्रकाश सिंहल (उत्तर प्रदेश) : क्षमा करें, माननीय सदस्य जिस तरह से विस्तार में जा रहे हैं, औरों को भी बोलना है। ...(व्यवधान)...

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : आपको समय मिलेगा।

श्री सुरेश ए. केसवानी (महाराष्ट्र) : आपको क्या आपत्ति है? यह आप तय करेंगे कि रेलवेंस है या नहीं है?

श्री जनेश्वर मिश्र : शिक्षा का भी निजीकरण। अभी तो उद्योग के निजीकरण की चर्चा हो रही है। इसी निजीकरण से मुझे याद आ रहा है पिछले साल के बजट में यशवंत सिन्हा साहब ने कहा था इस निजीकरण वगैरह से हमारे देश के खजाने में 10 हजार करोड़ रुपया आएगा। यह अपनी बजट स्पीच में उन्होंने कहा था। दो-ढाई हजार करोड़ से ज्यादा नहीं आया। अब की बार जो बजट आया उसमें उन्होंने बढ़ा कर के कहा कि 12 हजार करोड़ रुपया आएगा। उन्होंने पिछले बजट के 10 हजार करोड़ का हिसाब नहीं दिया, यह नहीं बताया कि यह क्यों नहीं आया, किस जगह खामी रह गई थी। अब तीन महीने बजट के बीत गये सर। मान्यवर, तीन महीने बीत गए। यशवंत सिन्हा या अरुण शौरी की तरफ से यह सफाई नहीं हो रही है कि तीन महीनों में आपने क्या प्रयास किया है। इस निजीकरण के जरिए या विनिवेश के जरिए 12 हजार करोड़ रुपया कैसे कमा लेंगे देश के विकास के नाम पर क्योंकि कल-कारखाना चलाना आपका काम नहीं है। कौन सा विकास करेंगे? इसके बारे में भी कोई स्पष्टीकरण आप देने को तैयार नहीं हैं।

कानून-व्यवस्था? अभी इन्हीं की पार्टी के कुछ लोग बिहार के बारे में बोल रहे थे, इधर से उत्तर प्रदेश के बारे में बोल रहे थे। आम आदमी की जिंदगी सुरक्षित नहीं रह गयी है। पार्लियामेंट के मेम्बर्स अपने घर में मार दिए जा रहे हैं। लगता है कि कहीं सुरक्षा नाम की चीज ही नहीं रह गयी है। कानून-व्यवस्था खराब है। किस बात के लिए आप सरकार चलाएंगे? आप उद्योग नहीं चलाएंगे, आप सड़क नहीं बनाएंगे देश के गांवों में जाने के लिए। समझ में नहीं आता है कि सड़क में गड्ढे है या गड्ढे में सड़क है। जब गाड़ी जाती है तो कुछ समझ में नहीं आता। कौन सा कल्याण का काम? खेत की सिंचाई का इंतजाम आप नहीं करेंगे। बरसात के मौसम में हिंदुस्तान के कई हिस्से सूखे में हैं, कई हिस्से बाढ़ में हैं। कौन सा कल्याण का काम आप करेंगे? हमारे कल-कारखानों को बेच करके? सार्वजनिक उपक्रम के कारखानों और कारखानों ही नहीं बहुत से संस्थानों में - ये जो बड़े बड़े होटल्स हैं - इन सबमें लाखों कर्मचारी काम करते हैं। उनकी जिंदगी के साथ एक तरह से आप खिलवाड़ करेंगे। आपने कहा है कि हम गारंटी दे रहे हैं, जो काम करता है उसकी छंटनी नहीं की जाएगी। हमने आपका बयान पढ़ा है। लेकिन क्या यह सच है। जो मालिक होता है हर तरह की छंटनी करता है। उसको छूट होती है। वह नयी मशीन लगाता है। कहता है कि उत्पादन बढ़ाना है तो आदमी कम करने हैं और उसके बाद वह छंटनी करता है, कर्मचारी बेकार हो जाते हैं। अभी अभी हमने उत्तर प्रदेश का आज ही अखबार में पढ़ा कि 14 या 17 चीनी मिलें बेचने का फैसला वहां की सरकार ने कर लिया है। वहां एक सीमेंट का कारखाना था। उस कारखाने को निजीकरण में फेंक दिया गया है। कारखाने घाटे में क्यों जाते हैं, इस पर क्या कभी बहस होगी? हम जानते हैं कि निजी पूंजीधारी लोग जो सीमेंट का कारखाना चलाते हैं, सरकारी कारखाने के अधिकारियों को अगर वह 30 हजार रुपए पर काम करता है तो किसी किसी जगह 70 हजार रुपए या एक लाख रुपए दे देते हैं और कह देते हैं कि इस कारखानें की रफ्तार ऐसी करो कि वह घाटे में जाए ताकि बिक जाए। इसका उत्पादन बाजार में न आ सके। हमको याद है पेन्सिलीन की सुई पहले कितनी महंगी बिका करती थी। लेकिन हरिद्वार का आई डी पी एल का कारखाना जब खुला तो एक बारगी पेन्सिलीन का दाम गिर गया। पेन्सिलीन बनाने वाली ग्लैक्सो और दूसरी विदेशी कंपनियों ने हरिद्वार के कारखाने के मालिकान और बड़े बड़े अधिकारियों को खरीद लिया। नतीजा यह हुआ कि वह आई. डी. पी. एल का कारखाना बैठ गया और फिर उनका बाजार गर्म हो गया। कारखानों के बड़े अफसरों के साथ कौन सी सौदेबाजी देशी और विदेशी, निजी कंपनियां किया करती हैं और वे किस तरह से घाटे में जाते हैं इसका मैंने भी थोड़ा बहुत अध्ययन किया है। मुझे दुख के साथ कहना पड़ता है कि आज उनकी चालबाजी का शिकार होकर हम लोग कहां जा रहे हैं। हम आपसे कहेंगे, ठीक है हमारी कुछ बुनियादी चीजों को तो मत बेचो। हमारी बिजली मत बेचो, निजी क्षेत्र में हमारे बच्चों की तालीम तो मत बेचो बड़े बड़े पूंजीपतियों की सलाह पर क्योंकि कोई विश्वविद्यालय में एम ए और पी एच डी की डिग्री लेने नहीं जाता। विश्वविद्यालय से कोई दार्शनिक बनने जाता है, कोई साहित्यकार बनने जाता है, कोई कलाकार और बड़े हुनर का मालिक बनने जाता है। कोई कलेक्टर या केवल कप्तान बनने नहीं जाता है। मैं यह सिंहल साहब के लिए खास तौर से कह रहा हूं। वह विद्या का बहुत बड़ा घर होता है। उसमें भी दौलत वालों की सलाह आपकी सरकार मानने लगेगी? मैंने कहा कि बिड़ला और अम्बानी के बच्चों की रिपोर्ट जो आई थी उसको पढ़कर मैंने माथा पीट लिया था कि यह हो क्या रहा है। प्रधान मंत्री जी ने वह कमेटी बैठा दी और इस कमेटी में इन दो लड़कों को रखा, किसी शिक्षाविद को नहीं रखा गया। तो हमारी तालीम न बेचें। बिजली बेच देंगे, हमारी बुनियादी जरूरत की चीजें बेच देंगे तो फिर एनरान को हम लोग भोग रहे

हैं। न उसे भगाते बन रहा है न उसे भोगते बन रहा है। किन लोगों की गलतियों से एनरॉन बिजली की सब से बड़ी कंपनी के रूप में हमारे यहां आया, किन शर्तों पर आया, किन लोगों ने क्लीन चिट दी, मैं किसी भी पार्टी और व्यक्ति को दोष नहीं देना चाहता, लेकिन इतना जरूर कहना चाहता हूं कि अगर सौ दो सौ एनरॉन हिन्दुस्तान में आ जायेंगे तो फिर हिन्दुस्तान की आजादी की हिफाज़त नहीं की जा सकती है। इसलिए मैं आपसे निवेदन करूंगा कि यह मत कहिए कि हम वचनबद्ध हैं, विनिवेशीकरण के लिए वचनबद्ध हैं या निजीकरण के लिए वचनबद्ध हैं, आपके अपने खुद के दल के भीतर, आपके खुद कई मंत्री, जब उनके विभाग के कई सामान आप बेचने के लिए चले तो उन लोगों ने एतराज किया। एतराज आपसे निजी तौर पर नहीं, सार्वज़निक रूप से किया है, अखबारों में किया है। आपकी पार्टी के भीतर जो श्रम संगठन था, उसने इस पर एतराज किया है। आपका एक समर्थक तत्व है राष्ट्रीय स्वयं सेवक संघ, उसके लोगों ने इस पर एतराज किया है। हमको तो आप विरोधी मान रहे हैं लेकिन अपने दोस्तों को तो दोस्त मानिए और उनकी सलाह मानिए। इस पर आप यह मत कहिए कि आप वचनबद्ध हैं और राणा प्रताप की वचनबद्धता मत दिखाइये कि घास की रोटी खायेंगे, लेकिन हम बदला ले करके रहेंगे। इस समय देश जीतने का सवाल नहीं है बल्कि देश को चलाने का सवाल है। आपकी वचनबद्धता के कारण लगता है कि देश गुलाम हो जाएगा। आप अपने प्रधान मंत्री को समझा दीजिएगा कि देश गुलाम हो जाएगा। फिर हम लोग कहीं न कहीं दौलत की मार खाते-खाते गुलाम बन जायेंगे। हमने इशारे के तौर पर कहा कि अभी तो एक एनरॉन को हम लोग भोग नहीं पा रहे हैं, यह दस साल का अभी खेल नहीं हुआ, अगर आपने सौ एनरॉन ला दिया तो यह देश गुलाम हो जाएगा। इसको गंभीरता से सोचिएगा और तब अपनी जीभ, जीभ से ही तो वचनबद्धता निकला करती है, अपनी जीभ को तो थोड़ा लचीला बनाइयेगा। इधर के लोग जो सलाह दें, आपके घर के लोग जो सलाह दें, दोनों सलाह को मान करके सार्वज़निक क्षेत्र को भी जिंदा रखिए, निजी क्षेत्र भी चले, हम यह नहीं कहते, मिश्रित अर्थव्यवस्था चले, लेकिन जिस तरह से यह बोली निकलती है कि सरकार का काम निजी कल-कारखानें चलाना नहीं है तो फिर सरकार का काम क्या है? जब हम लोग बहस करेंगे तब यह भी आप ठीक से बता नहीं पायेंगे। इन्हीं शब्दों के साथ, मैं अपनी बात खत्म करता हूं। धन्यवाद।

SHRI C. RAMACHANDRAIAH (Andhra Pradesh): Sir, the Telugu Desam Party is totally committed to liberalisation of the economy. This issue has been discussed a number of times and we have made our stand very clear that this is the right step for moving towards total liberalisation of the economy.

Sir, I agree with the views expressed by my hon. Friend, Mr. Singh. The Government should have a holistic approach with regard to the policy of disinvestment.

Sir, the hon. Minister has made a remarkable statement in this regard. I may, please, be permitted to quote from his statement. He says:

> 'Apart from what they learn about the PSUs once they examine the books etc., a factor that seems to be scaring away bidders is the

din, and the avalanche of allegations that descends on parties once it becomes known that they are in the race for a PSU. More and more potential bidders are concluding that the condition of the enterprises is worse than they had assumed: the representative of a very important potential bidder for a flagship PSU eventually told me, "Mr. Minister, we are not able to see why we should pay you to take over your headaches." Moreover, given the atmosphere which has come about, the bidders have come to conclusion that it will be much more difficult for them to turn the enterprise around than they had thought. And given the sorts of charges which have come to be hurled on some of the potential bidders, many are concluding that by staying in the race they would only be persisting and needlessly in a minefield.'

"Such developments are among the principal factors that have led international rating agencies to downgrade India as an investment destination."

Sir, I differ with the views that have been expressed. Is it a factor which has influenced the investors not to invest in this country? Is it a factor which has influenced the rating agencies to downgrade the Indian economy? It is because of the 70 per cent revenue deficit? It is the Enron experience which has demoralised the foreign investors to invest in India. The slide in our exports alone is not responsible. There are umpteen reasons which have made the rating agencies to downgrade the Indian economy. The negative industrial growth is also responsible for this. There are umpteen reasons for the slide in the Indian economy which we can sum up. These have influenced the rating agencies to downgrade the Indian economy.

Sir, we fully agree with the need for disinvestment because we have thrown open our economy to the market forces. The business decisions of public sector undertakings are not subjected to scrutiny by Parliament. These are all the reasons for this. We want to take away the role of a public sector from business and industry. As far as the disinvestment is concerned, we fully support the Government. As I said earlier, the Government should have a holistic approach towards disinvestment. Is the disinvestment being done only to cover the fiscal deficit? Sir, I want to say that that alone should not be the criterion for resorting to disinvestment. You cannot have fiscal profligacy and use these amounts to contain the fiscal deficit. That is not a sound economic management principle. We have umpteen ways to contain the fiscal deficit.

Have austerity measures, downsize the Government and improve the productivity in all sectors, pump in more investments, create demand for products, give vibration to the economy. That should be the attitude of the Government. But using this amount exclusively to contain the fiscal deficit is not correct.

I have seen the document circulated by the Government with regard to the objectives of the PSUs, in this House. I want to tell you honestly, it is not clear. Is it to close down the sick PSUs? Is it an instrument to mobilise resources for the Government? At one stage, one reason has been given. How this amount is being utilised?

I got an occasion to put a supplementary to the Minister when a question on disinvestment came up. I still remember, the Minister had assured this House that this amount could be spent for creating a corpus fund, for modernisation of technology and for contribution towards the National Renewal Fund. Subsequently, it was denied. What I am trying to say is various Ministers are giving various objectives on the policy of disinvestment. The administrative Ministries are not in agreement with the Ministry of Disinvestment. I do admit that disinvestment in this country is a stupendous task. A right price for a PSU can be questioned at any point of time. But my advise to the Government is, in good faith, try to get a correct price for the assets which have been created, with the public money by toil and sweat of the people, over a period of time.

Whenever we spoke, we never opposed disinvestment. In fact, we have been doing it in our State. I must say, disinvestment is being discussed at all fora in our State, right from the Assembly to the party forum, in all party fora. Even power reforms, we discussed it for three years. There was a debate. The Miniser has circulated how the process of disinvestment is going in the States. Maybe, he wants to score a point that disinvestment at the Centre is being done in a much more efficient manner than in the States. As far as Andhra Pradesh is concerned, we do not have much PSUs to dispose of. We cannot be at par with the Central Government. After all, we have got the Charminar, which we have received as a legacy, and the Allwyn factory, which we sold long time before you started selling sick units. You should have a holistic approach as to what should be the criteria, which has to be disposed of--either sick or profit-making, which has to be disposed of. The Ministry should have a clear objective. And you should try to dispose of at the right time. I do not think that to dispose of Air India it is an opportune time now. I do not want to

go into the details of particular transactions. Much time has been spent on discussing all these, BALCO, Modern Foods and other things. I would quote one example, Modern Foods. You have stuck to the rules. You have refused the second bidder one more week's time. You should have got more money. As a layman, I would say, you should not only do in good faith, but you should appear to be doing in good faith. You are doing in good faith. But the people outside also should feel that you are doing in good faith. Stick to the rule book. It is correct. But, to what extent? Not to the detriment of the nation. If you have allowed one week's period to the other company, there should have been two bidders. But you are under compulsion to accept the one bid that has been given by the Hindustan Lever. What I am trying to say is, create competition. Have the maximum amount.

One more aspect which I would like to touch is this. Why should we have an annual target for disinvestment and incorporate it in the Budget? What happened last year, the year before last year? You could not achieve the target amount. And subsequently, you had to scale down the expenditure to the tune of Rs.18,000 crores which has affected investment in the rural sector, and, which has got a multiplier effect of reducing employment. These are anomalies in the process of economic management which have to be taken care of and rectified. Disinvestment has become target-driven. I still feel that it is an aberration on the part of the Government. It should not be target-driven. It should be market-conditions -driven. You want to get Rs.10,000 crores this year. So, you should accept whichever price you are getting! Should you accept whichever price you get just because you want to achieve the target? Let us not accept like that. Let us try to get the maximum amount. After all, it is a property. We are the custodians of the people's property. We have to ensure that we get the maximum amount. I think the young, very energetic, crusader Minister should concede our request.

The Government should have a clear road map, as I said earlier, about disinvestment. What are the methods followed in Great Britain and other countries? Even Margaret Thatcher has done disinvestment. Privatisation was started during the time of Margaret Thatcher. Even then, she felt that the private sector was not a panacea for all the ills of the economy. I should say that here. The private sector is not a panacea. What is the distinction between private and public? Even in the private sector, more than 90 per cent of the funds are coming from the financial institutions

and the public. Not even 10 per cent is invested by the promoters. The line of distinction is very thin between public and private sectors. It has been glorified as a very virtuous sector which can solve all the problems of the nation. ...*(Interruptions)*... That is why I emphasise that the Government should have a clear road map. Let us learn the methods which have been adopted for disinvestment in other countries which have successfully done it without any controversy, protecting the interests of the nation. These aspects have to be seen.

Whatever may be the system, if it suits our country, it can be adopted. ...*(Interruptions)*..

SHRI BRATIN SENGUPTA (West Bengal) : So that more people can be befooled!

SHRI C. RAMACHANDRAIAH: Mr. Bratin Sengupta, should I yield to you? Sir, I will conclude with two suggestions. Umpteen number of times, this issue has been discussed, and it was me, who has made a demand that the entire process of disinvestment should be brought under the control and supervision of the Parliament. But my request has been negatived. Still, we feel that instead of every time coming for discussion here, we should devise such a method through which we can have some control of the Parliament in respect of the process of disinvestment. The Minister has said: "How many times this issue has been discussed, and how many questions have been answered on disinvestment?" Let there be some control, some supervision. After all, the Parliament is a supreme body. When any amount is being spent or being invested, we are taking the permission of the Parliament. But when the property is being disposed of, why can't we have the supervision or control over this process? The other day, the Minister has said that the day-to-day transactions cannot be brought under the control of the Parliament. I agree with him on this point. But you are not sellling the property every day. Once you complete the process of disinvestment, there is nothing to sell. So, whatever you want to sell, you kindly ensure that the Parliament has got some control or supervision in respect of this process, so that the Parliament, which is a superme body, which is the representative of the public, can satisfy itself that the properties of the people have been sold for a correct price. Sir, one more suggestion I want to make. Sir, the strategic sales are there; the MOU system is there; the discounting method is there. There are umpteen number of methods through which the valuation is done. But I would request the Minister to ensure that there is no monopoly. This is a very important aspect which has

to be taken note of. Kindly ensure that there should not be a monopoly while we are disinvesting. This aspect has been discussed at great length, and I do not want to go into it further. But utlimately, I conclude with one request. Kindly try to ensure that we get the maximum benefit out of the sale of these PSUs, thereby, protecting the national interest, and the interest of the poor people. Thank you.

SHRI RAM JETHMALANI (Mahahrashtra): Thank you, Sir, for giving me this opportunity. Sir, I did not wish to participate in this, because, I had an embarassing inhibition, which I will presently share with this hon. House. But, Sir, that will come a little later. What I am saying just now, is not by way of any malicious criticism. It is intended to be an honest advice tendered to the Minister. It may be wrong, but it is well-meaning, and I hope, it will be taken in the spirit in which it is offered. First of all, I must compliment the Minister on his intellectual honesty, because, he may have restrained himself on the floor of this House. But outside the House, he has very candidly explained, what according to him is the problem, which the country is facing. Sir, I am quoting what the hon. Minister, Mr. Arun Shourie, reported to have told the **Financial Times.** It is reported in the Augst 22nd issue. " The Indian economy is showing clear symptoms of an impending fiscal crisis, according to Shri Arun Shourie, The Minister for Privatization." Mr. Shourie, one of the most high profile members of India's Coalition Government, told the **Financial Times**: " The country's growing budget deficit, threatened a broader economic crisis unless a remedial action was taken."...*(Interruptions)*..They say that you told the **Financial Times.**

SHRI ARUN SHOURIE: Sir, I want to tell Mr. Ram Jethmalani, before he comes to subsequent paragraphs, that the *Financial Times* misreported what I said. ...*(Interruptions)*..Just a second. ...*(Interruptions)*.. You need not laugh because it was a serious matter. It was a serious matter. Therefore, I contacted the Financial Times correspondent, issued a contradiction, and in the issue of 23rd, the next day, they published my letter to that effect.

SHRI RAM JETHMALANI: Anyway, I am not relying on that portion which you are not contradicting!

> "The Government urgently needed to carry out the reforms that it unveiled in the widely publicised 2001 Budget, last February.", said Mr. Shourie.

I am omitting what you must have contradicted.

"In two or three years there will be an economic crisis, given the condition that our Central finances are in. It is the task of leadership to resolve this before it happens."

Sir, the disinvestment policy, however sound it may be, is in a total mess. And why it is in a mess, the Minister knows more than I do. But, again, for obvious reasons, he, probably, would not be able to spell them out. I, therefore, take the responsibility of spelling them out for him and for his benefit!

Sir, first of all, I don't think that any second edition of the published document "Disinvestment Policy and Procedures" or an improved document has appeared since then. ...*(Interruptions)*.. It is coming. But, Sir, small mortals like me, who have no access to the inner working of their Ministries can only go by what is available on the shelves. But, Sir, this is available to those who come to invest in India. So, you again blame them for having relied upon your manual, and not taking cognisance of the secret changes which you are proposing to make in this manual!

Now, Sir, even in this manual, my first grievance is your objectives, the manner in which you have framed the objectives with which you want to carry out the disinvestment policy. The objectives are: to use the proceeds for providing restructuring assistance to PSUs, a safety-net to workers, reduction of debt burden, additional budgetary support for the planned sector, and so on and so forth. Sir, my respectful submission is that the first obligation, legal, ethical, moral, spiritual, of a debtor, a person who is mired in debt, is to liquidate his debt. Yes, you are supposed to carry out your obligations, social obligations; you are supposed to have some electioneering obligations; you have to do some very striking works which will bring you votes in the next election. That is all right, but, Sir, to my mind, technically it may be correct to apply it to the purposes which you disclosed in the Budget, but, morally and politically, it is a breach of trust that when you sell your assets, you apply the sale-proceeds to the liquidation of your debts, but for other objectives, however important those other objectives are. Sir, I hope, one of the policy-declarations is that the public sector has not been efficiently managed, and, therefore, it is the tax-payer who is ultimately suffering as a result of the incompetent management. I go further, it is not merely an incompetent management, it is often a corrupt management; often a combination of both. Therefore, Sir,

that is a very laudable thing, that the tax-payer should not suffer. But, on the other hand, the tax-payer should know his liability in debt, and the liability in debt is so mind-boggling that a lawyer earns a few thousands or a few lakhs of rupees. The figures are mind-boggling. I am told--Mr. Shourie corrected my figures yesterday, to some extent--that we are paying Rs.1,95,000 crores a year by way of service charges and the instalments on the domestic and the foreign debt we have, whereas our total tax revenue is Rs.1,82,000 crores.

So, on the first item in the balance- sheet, we are literally insolvent. This is the condition. Therefore, he is right that we must liquidate this debt. This is one thing. Look at the plethora of authorities. No wonder, the Department is not able to function. I find that even this book gives you five authorities who are dealing with this process of disinvestment. One, there is the august Cabinet Committee on Disinvestment, chaired by the Prime Minister. It also contains, probably, every important Ministry. I don't know which Ministry it doesn't have. There is the Law Ministry, the Shipping Ministry, the Heavy Industry Ministry, the Finance Ministry, the External Affairs Ministry and so on and so forth. This is one great body. Second, there is the Core Group of Secretaries. Third, there is the Inter-Ministerial Group. Four, there is the Department of Disinvestment. Five, the Advisers of various kinds, which include the lawyers as well, and, I think, that makes it a very formidable kind of a run. If a person wants to investment here, he has to run a steeplechase race where the hurdles go on becoming bigger and bigger. These are the five blank walls that you have constructed and, no wonder, nobody is able to survive this steeplechase; and, ultimately, you find that in the case of Air India only two bidders were left. On page 46 of this great document, you have indicated the various steps which are to be taken. If I read these 26 steps, which a investor has to go through, and the formidable opposition walls that he has to meet, he will, at the end of it, die of exhaustion. Either the horse will die or the rider will die or both of them will collapse. This is exactly what seems to have happened. So, for God's sake, if you want the disinvestment not to become a dismal affair, which it has already become, you simplify your procedures, and get rid of this multifarious division of authorities. Nobody knows where to go and whom to approach. What is more important is, as I told you, there are four authorities indicated in this book, apart from the bunch of advisers. On 20th November, 2000, the Minister made a statement. I don't know whether he was the Minister at that time or somebody else. The statement that he made was--I think the Minister must have been questioned specifically on

Air India--"That the entire Cabinet Committee on Security is yet to assess the information about the potential bidders. After that, those who pass muster will be allowed access to the data room of the airline. Once that due diligence has been completed, the potential bidders would be required to submit their technical plans for the future of the airlines. Only those who qualify at that stage will be invited to submit their financial bids". At this point arises the question of inefficiency, about which I talked. The Rules of Procedure in the Rajya Sabha--I think, in both Houses of Parliament--require that if a Member of Parliament has any particular professional interest in a matter about which the House is debating, it is his duty to disclose that interest to the House so that the House can assess the validity and credibility of his assessment. I must indicate to the House that I am the adviser to the Hindujas in the Bofors case. The House must know that it is my professional interest. When you said that "the Cabinet Committee on Security", where did this body, this black thunder, come about? It is not even mentioned in this whole document of yours. This document mentions about four bodies. Now, you have mentioned about the fifth, suddenly. You cannot go on like this. I agree with the Leader of the Opposition, Dr. Manmohan Singh. He insisted on transparency; he insisted that all guidelines must be known to all competitors at the very commencement of the competition process. You cannot go on changing your competition rules mid-way, in whatever manner that suits you. In this case you might have acted *bona fide*. Consider the grave implications on a broader stage, that you might use your powers of changing the guidelines to the prejudice of the bidders. Will the hon. Minister not tell me that this stage was passed, and whichever body, this Cabinet Committee on Security, had obviously examined the bidders.

Both the bidders that are left ultimately; the Hindujas and what is the second name, Ashok Alel...

SHRI ARUN SHOURIE: You are correct in having difficulty in locating their names...

SHRI RAM JETHMALANI: I assume that Hindujas are interested. I do not bother about it at all.

SHRI ARUN SHOURIE: Because it is a company in Panama, it is a company in Switzerland...

SHRI RAM JETHMALANI: You are concerned with liquidating your debt. You are not concerned with running the airlines. Sir, this Committee

obviously cleared the bidders and both the bidders were allowed access to a very sensitive data room of the airlines. Once that happens, once two bidders are left, you should find out who pays more and what is in the national interest. But on 13th July, if you formulate another bunch of guidelines -- I may not doubt the integrity of my friend here; but, I do not know as to how many people are responsible for these guidelines -- obviously, it means you want to interrupt the process of competition and you do not want the two bidders left to bid against each other and you wish to eliminate one bidder. My respectful submission is that if you want to have these new guidelines, it is your prerogative, however impolitic it is and however unwise it is to go on interpolating new guidelines midway! But, at least, have fairness and the decency to tell the bidders, "Please start afresh. It is part of this new manual on which you acted. We had not yet amended it. But we have amended it now and told you. If you want to come into the bidding process, please start with the assumption that the new guidelines are there." Then they will have the option either to withdraw or to compete on the basis of your new guidelines. *(Time Bell)*.

Sir, you have rung the bell. I wish to take one more minute. How are you qualified to go into these issues? There are 20 volumes of records in the Bofors case. Some Under Secretary or a Minister of State or a Minister will sit and decide on those 20 volumes. Who is guilty and who is not guilty are matters which are of a *sub judice* nature. If you want to start with this that somebody against whom any accusation is made by the police will be disqualified, please say so, so that the people will walk out of this and will not submit to the indignity of a Minister however exalted sitting in judgement over matters which require ultimately the scrutiny of the highest court of the land. They are not qualified to do this job and they should not undertake this job and no bidder, no respectable investor from abroad will come if he is told that the Ministry will have the right to decide whether you are a security risk or not. Thank you.

उपसभाध्यक्ष (श्री एस शंकर कौशिक) : श्री राजीव शुक्ला। इससे पहले कि आप अपना भाषण शुरू करें, मैं माननीय सदस्यों से एक बात कहना चाहता हूं कि ढाई बजे से प्राइवेट मैंबर्स बिज़िनेस है और अभी बोलने वाले सदस्यों की तादात दस है यानी दस और सदस्य हैं जो बोलना चाहते हैं। मैं समझता हूं कि माननीय मंत्री जी भी इन बातों का जवाब देने के लिए आधे घंटे से अधिक ही समय लेंगे। अगर आप सबकी राय हो तो राजीव शुक्ला जी के भाषण के बाद कुछ देरी के लिए सदन उठ जाए।

श्री प्रेमचन्द गुप्ता (बिहार) : महोदय, इसको अभी खत्म कर दीजिए।

2.00 P.M.

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : मैंने आपको बताया है न कि पांच बजे से फिर शुरू किया जाए।

संसदीय कार्य मंत्री और सूचना प्रौद्योगिकी मंत्री (श्री प्रमोद महाजन) : महोदय, मेरी प्रार्थना है कि ढाई बजे सदन का कोरम पूरा करना मुश्किल हो जाएगा इसलिए जहां इसे रोकना है, रोककर प्राइवेट मैंबर्स बिज़िनेस शुरू कर सकते हैं।

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : खत्म तो इसलिए नहीं हो पाएगा क्योंकि ढाई बजे से प्राइवेट मैंबर्स बिज़िनेस है।

श्री प्रेमचन्द गुप्ता : सर, आप इसे प्राइवेट मैंबर्स बिज़िनेस के बाद फिर से ले सकते हैं पर इसे आज ही खत्म कर दीजिए।

उपसभाध्यक्ष (श्री रमा शंकर कौशिक) : वही तो मैं कह रहा था कि ढाई बजे तक हम लोग इसको करेंगे और उसके बाद प्राइवेट मैंबर्स बिज़िनेस शुरू हो जाएगा। फिर पांच बजे से इसको दुबारा ले लेंगे।

[THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) in the Chair.]

श्री राजीव शुक्ल (उत्तर प्रदेश): माननीय उपसभाध्यक्ष महोदय, मैं अपने भाषण में इस बहस में नहीं जाना चाहता हूं कि पीएसयूज को टाटा को दिया जाए या हिन्दुजा को दिया जाए, कौन क्वालिफाइ करता है, कौन क्वालिफाइ नहीं करता है, इस विवाद में पड़ने के बजाए जो बेसिक क्वेश्चन्स हैं, मैं उनमें जाना ज्यादा पसंद करता हूं। सबसे पहले तो मैं यह बात स्पष्ट करना चाहता हूं कि मैं डिस-इन्वेस्टमेंट के खिलाफ नहीं हूं। मुझे लगता है कि ज्यादातर सदन के लोगों की यह राय है कि डिस-इंवेस्टमेंट हो, लेकिन उसका तौर-तरीका क्या हो, इसके लिए आपत्ति है। खासतौर से वैल्युएशन आफ एसेट्स को लेकर है। रीयल एसेट्स की वैल्यु क्या हो, एसेट्स की वैल्यू क्या हो, मशीनरीज की वैल्यू क्या हो और उसकी कीमत ऐसी लगे जो लोगों को एक्सेपटेबल हो। ज्यादातर आपत्ति इसी सिलसिले में है और इन्हीं चीजों को लेकर आरोप लगाए गए हैं। अगर हम आंकडों में जाएं, इस समय भारत सरकार के 116 पी.एस.यूज. घाटे में हैं। उनकी पेड-अप कैपिटल 26 हजार 815 करोड़ है और घाटा 10 हजार 904 करोड़ का है। इतनी बड़ी रकम जनता की, टैक्स पेयर की इन्वॉल्व है, अगर उसकी तरफ देखा जाए तो सचमुच ऐसा लगता है कि हम कोई अपराध कर रहे हैं। फिर यह कहा जाता है कि देश बिकता जा रहा है। देश किसके पास बिकता जा रहा है? कुछ चेयरमैन के हाथ में। अगर वे अपने भ्रष्टाचार से किसी पीएसयूज को घाटे में कर दें तो देश बिकता जा रहा है। हम ऐसे पूंजीपति क्रिएट कर रहे हैं, इनसे जनता का क्या फायदा हो रहा है। अगर कोई भारतीय उद्योगपति उनको ले लेता है, चलाता है, लोगों का रोजगार बचा रहता है, नेशन की प्रोडेक्टिविटी बढ़ती है और मैन्युफैक्चरिंग जारी रहती है, तो इसमें क्या आपत्ति है? मंत्री जी ने अपनी तरफ से उदाहरण दिया कि आज मॉडर्न ब्रेड कितनी अच्छी चल रही है, एम्पलाइमेंट बरकरार है, मजदूरों का वेतन बढ़ गया है और प्रोडेक्टिविटी बढ़ गई है। आज सबसे बड़ी समस्या यह है कि हमारे उद्योग बन्द होते चले जा रहे हैं। एक दिन ऐसी नौबत आएगी कि रोजगार के अवसर ठप्प हो जाएंगे। आज हमारे यहां चाइना के मुकाबले मैन्युफैक्चरिंग कम होती चली जा रही है। हमारे यहां इसको बढ़ाने की बजाए यह

कोशिश करते हैं कि अगर घाटे में चल रहे हैं तो चलने दें, बन्द हो रहे हैं तो हो जाने दें और इसी तरह ज्यादातर पीएसयूज बन्द हो गए हैं। जब मनमोहन सिंह जी वित्त मंत्री थे उस समय यह बात आई थी कि अगर घाटे वाले उपक्रमों को बन्द कर दिया जाए और घर बैठे लोगों को तनख्वाह दी जाए तब भी 12 हजार करोड़ बचेगा। ये आंकड़े कितने सही हैं, मुझे पता नहीं हैं। लेकिन उस समय यह बात जरूर आई थी कि इस तरह घाटे वाले पीएसयूज को प्राइवेट इक्विटी के जरिए चलाया जा सकता है, रोजगार बरकरार रखा जा सकता है, प्रोडेक्टिविटी कायम रखी जा सकती है तो क्या आपत्ति है। मैं एक छोटा सा उदाहरण बताता हूं, करीब दस साल पहले की बात है। मैं हैवी इंडस्ट्रीज के सैक्रेटेरी के पास बैठा था, उन्होंने बड़ी मजेदार बात बताई कि एक खाद का कारखाना करीब 30 साल पहले लगा था। शुरु से ही उसके चेयरमैन ने गलत टैक्नोलोजी ले ली और उस गलत टैक्नोलोजी के चलते वह कारखाना शुरु नहीं हो पाया। बीस साल से वह कारखाना बन्द है लेकिन उसके स्टाफ वैलफेयर एसोसिएशन की तरफ से सैक्रेटेरी इंडस्ट्रीज के पास एक फैक्स आया कि साहब आपने यहां पर जो रिक्रेएशन फैसेलिटीज स्वीमिंग पूल इत्यादि की दी हैं, ये बहुत कम हैं, इनको बढ़ा दीजिए। दो बॉसकेट बॉल कोर्ट बनाए जाएं और दो टेबल टेनिस कोर्ट बनाए जाएं। देखिए, 20 साल से तनख्वाह ले रहे हैं, एक ऑन्स भी खाद का उत्पादन नहीं हुआ है और कहते हैं कि फैसेलिटीज बढ़ा दीजिए। हमारे, आपके और टैक्स पेयर के पैसे के बल पर इस तरह के लोगों को पालने की क्या जरूरत है। इससे तो यह ठीक है कि सही ढंग से डिस-इन्वेस्टमेंट हो, ट्रांसपेरेंट तरीके से इंसवेस्टमेंट हो, वैल्युएशन सही लगाई जाए और जो पैसा आए, वह सही रास्ते पर लगे। एक सुझाव भी आया था कि जो कंट्री के ऊपर लोन है अगर उसको पेमेंट पर लगा दिया तो बहुत अच्छा रहेगा। अगर यह किया जा सकता है तो बहुत अच्छा होगा। दूसरे तरीके निकाले जा सकते हैं लेकिन राज्यों को पैसा देने से काम नहीं चलेगा। वह फिर तनख्वाह में चला जाएगा और फिर खत्म हो जाएगा। मैं राज्यों की एक छोटी सी तस्वीर दिखाना चाहता हूं, स्टेट लेवल पर प्राइवेट इन्टरप्राइजेज 946 हैं और जिनमें बिल्कुल काम ठप्प पड़ा है वे 241 हैं।

उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) : आप वाइन्ड-अप कर रहे हैं? अब आप धीरे-धीरे समाप्त करिए।

श्री राजीव शुक्ल : सर, मैं तीन-चार मिनट में खत्म कर दूंगा।

उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) : आपको बताया है कि पांच-पांच मिनट का समय है।

श्री राजीव शुक्ल : अभी पांच मिनट नहीं हुए हैं।

उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) : हमें तो यहां की घड़ी से ही चलना पड़ेगा, आपकी घड़ी के हिसाब से नहीं।

श्री राजीव शुक्ल : मैं टू-थ्री प्वाइंट और बोलूंगा।

उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) : चलिए, वाइन्ड-अप करिए।

श्री भारतेन्दु प्रकाश सिंहल : किसी को पच्चीस-तीस मिनट मिलते हैं और किसी को पांच मिनट दिए जाते हैं।

श्री राजीव शुक्ल : हमारा अलग से नाम नहीं है, ऊपर वालों में है। लॉसस में 551 है और 100 ऐसे हैं जिन्होंने अपना एकाउण्ट ही सबमिट नहीं किया है। आप जान लीजिए कि 241, 551 और 100। यानी कि 946 में से मुश्किल से 100 ऐसे पी.एस.यूज हैं जो प्रोफिट में हैं बाकी या तो घाटे में हैं, या बंद हो गए हैं या अपना एकाउण्ट नहीं दे रहे हैं। ऐसी हालत में पहुंच गए हैं। इसके लिए हमें कुछ न कुछ करना पड़ेगा। एयर इंडिया को लेकर बात उठी। एयर इंडिया, होटल कॉर्पोरेशन ऑफ इंडिया ऐसे पी.एस.यूज. हैं जिनके विषय में अतिरिक्त सावधानी बरतनी पड़ेगी। मंत्री जी ने अपने वक्तव्य में बताया है कि जिन पर ज्यादा कंट्रोवर्सी हो सकती है उनकी वैल्यूएशन की एफोरमेशन के लिए चीफ विजिलेंस कमीश्नर या कंट्रोलर एंड ऑडीटर जनरल की मदद ली जाएगी। यहीं पर मैं शौरी साहब से अपील करना चाहता हूं कि प्राइसिंग या वैल्यूएशन को लेकर जो कंट्रोवर्सी हो रही है - आपने कहा कि कुछ ऐसे पी.एस.यूज. हैं जिनमें सबसे ज्यादा कंट्रोवर्सी है जैसे एअर इंडिया, इसके लिए आप सी.वी.सी. की मदद ले सकते हैं या कैग की मदद ले सकते हैं। मेरा यह मानना है कि इसी जगह, जितने पी.एस.यूज. हैं उनकी किसी एजेंसी ने वैल्यूएशन की है या प्राइसिंग की है उसे आप रेफर कर दीजिए, हर पी.एस.यूज के मामले में कैग या सी.वी.सी. की एक कमेटी बना दीजिए।

श्री अरुण शौरी : जैसा कि मैंने स्टेटमेंट में कहा है कि To minimise the possibility of controversies in an enterprise such as Air India, our Department requested the Chief Vigilance Commissioner and the Comptroller and Auditor General of India to join us in freezing the principles and assumptions for valuation. To my regret, after reflecting on the proposal -- both of them told me personally -- they have concluded that doing so would not be in consonance with their statutory functions. मैंने तो बहुत कोशिश की थी। अगर आपके इन्फ्लुएंस से वे अब भी मान जाएं तो हमारे लिए तो अच्छा ही अच्छा है और मेरे ख्याल में देश के लिए भी अच्छा होगा।

श्री राजीव शुक्ल : अगर ये नहीं मानते हैं तो आप कैग का एक कमीशन बना दीजिए जो पंद्रह दिन के अंदर जो प्राइसिंग एजेंसी ने की है, फाइनेंशियल एजेंसी ने की है उसे बता दें कि यह सही है या गलत है। इस तरह कम से कम आपके पास सबको दिखाने के लिए एक सर्टिफिकेट तो होगा, हमारे दोस्तों को दिखाने के लिए। वरना तो यही कहते हैं कि हम उस एजेंसी की बात को क्यों माने। अगर कैग तैयार नहीं है, सी.वी.सी. तैयार नहीं है तो आप एक कमीशन बना दीजिए जो एक टाइम बाउंड पीरियड में, पंद्रह दिन में अपनी रिपोर्ट दे दे। इससे आप कंट्रोवर्सी से बच जाएंगे। इसमें आप सारे पी.एस.यूज की वैल्यूएशन को डाल दीजिए। इस तरह जो पब्लिक सैक्टर यूनिट्स चल सकते हैं उन्हें चलाने की कोशिश होनी चाहिए। लेकिन उनमें मैनेजमेंट एफिशिएंट करने के लिए, उन्हें वर्किंग कैपिटल देने के लिए सरकार को अलग से प्रयास करने पड़ेंगे जो कि नहीं हो पाते हैं। एक और बहुत इम्पोर्टेंट बात जो पी.एस.यूज. को चलाने की हो रही है उन्हें कुछ न कुछ एग्जम्पशन आपको लेबर लॉज से देना होगा। ज्यादातर पी.एस.यूज. में यह हालत है कि यहां लेबर लॉज के चलते बड़ी मुश्किलें आई हैं। इसमें मैनेजमेंट भी उतना ही दोषी है। लेकिन लेबर प्रॉब्लम का भी कम दोष नहीं है। इसलिए जिन पी.एस.यूज को आप घाटे से मुनाफे में लाना चाहते हैं, जिन पर आपको उम्मीद है उनके साथ यह करना चाहिए और जो प्रोफिट मेकिंग पी.एस.यूज हैं, जिन्हें आप डिसइन्वेस्टमेंट से प्रोफिट में ला रहे हैं

उनके लिए मेरा मंत्री जी से अनुरोध है कि उसमें 100 परसेंट इक्विटी शेयर न की जाए। उसमें या तो 51 मैक्सिमम परसेंट करें या हालत ज्यादा खराब है बहुत नहीं तो 74 परसेंट कर सकते हैं। लेकिन अगर आप 100 परसेंट कर देंगे तो सरकार का कुछ भी नहीं बचेगा। किसी प्रोफिट मेकिंग पी.एस.यूज. में 100 परसेंट इक्विटी डिसइन्वेस्ट न की जाए। आखिर में एक बात और रखना चाहता हूं ...(व्यवधान)...

श्री प्रतीन सेनगुप्त : लेकिन ये कह रहे हैं कि ...(व्यवधान)...

उपसभाध्यक्ष (श्री टी.एन.चतुर्वेदी) : वे अपनी बात कह रहे हैं आप उसे समझ लीजिए।

श्री राजीव शुक्ल : एक बात जो मंत्री जी के वक्तव्य में रखी गई है वह यह है कि बहुत कम लोग आ रहे हैं। एयर इंडिया के लिए उन्होंने कहा कि बहुत कम लोग आ रहे हैं, बाल्को के लिए उन्होंने कहा शुरुआत में सात लोग थे बाद में दो रह गए। ऐसी बात नहीं है कि लोग बेताब हैं और खरीदने के लिए घूम रहे हैं। मैं मंत्री जी की इस बात से सहमत हूं और सदन को भी इस बात का एहसास होना चाहिए कि ऐसा नहीं कि लोग दौड़ कर पीएसयू लेने वाले हैं। इसलिए हमें कोई न कोई ऐसे उपाय खोजने होंगे जिससे इन पीएसयू को सही खरीददार मिलें और वे अपने कमिटमेंट पर कायम रहें। जहां तक कन्ट्रोवर्सी का सवाल है, जैसा जेठमलानी जी ने कहा हिन्दुजा को डिसक्वालिफाई नहीं करना चाहिए, मेरा अपना ख्याल है कि इसे सरकार के विवेक पर छोड़ देना चाहिए। अगर किसी के खिलाफ कुछ केस हैं तो सरकार उस पर अपना फैसला करे। ...(व्यवधान)...

उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) : आप उनकी बात न सुनें। आप मुझे एड्रेस करिए। ...(व्यवधान)...

श्री राजीव शुक्ल : चोरों और साहूकारों, जिसको भी दीजिए।

उपसभाध्यक्ष (श्री टी.एन. चतुर्वेदी) : चोरों और साहूकारों का फैसला जनता करेगी।

श्री राजीव शुक्ल : लेकिन अगर जो गाइड लाइंस बनी हैं उन गाइडलाइंस के तहत कोई आता है, क्वालिफाई करता है तो उसको पोलिटिकल रीजन से डिसक्वालीफाई नहीं किया जाना चाहिए। महोदय, यही मुझे कहना है, धन्यवाद।

SHRI ARUN SHOURIE: Sir, I am not pressing or citing any rules and so on, but I would plead with you, and through you, with the Chairman, I would also like the guidance of the hon. Leader of the Opposition in this to consider the propriety of a person who declares a commercial interest of advising a particular client; who, as Law Minister, was among those incharge of processing the case for their prosecution, then, when he demits office, becomes their private adviser in law, and then uses this House to argue that they should or should not be qualified in a commercial transaction. I really would like the guidance of the Chairman, through you, Sir, and also the Leader of the Opposition. If you want me to respond to that kind of a criticism, I will really go into the details of what propositions

were put to me by the Hindujas. I will state that in this House. ...*(Interruptions)*..

SHRI NILOTPAL BASU: Mr. Vice-Chairman, Sir, it is a sad commentary on this very Government, where he was occupying this office. Why are you passing the buck on to the Opposition? It is for you to decide how to respond.

SHRI ARUN SHOURIE: I am seeking the guidance of the Leader of the Opposition. ...*(Interruptions)*..

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): I think, there is already a well-established procedure. There is already a ruling...

SHRI BRATIN SENGUPTA: He was your colleague and your Minister. ...*(Interruptions)*..

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): It doesn't matter. ...*(Interruptions)*.. Mr. Bratin Sengupta, we are all colleagues here. Sometimes, politically, we may oppose each other. That is different.

Now, there is already a ruling on this subject. I would just like to read it. This is 'Rajya Sabha At Work'. I would read only the operative portion. "A Member disclosed at the beginning of his speech during the Short Duration Discussion on the Joint Parliamentary Committee Report on Securities Scam on 30th December, 1993, that he was professionally associated with the main accused involved in the scam and would subject himself to a voluntary restraint of not commenting on that portion of the controversy which has anything to do with the accused". So, anything which goes against this, obviously, is not according to the rules of the House.

SHRI B.P. SINGHAL: Will that be removed from the record? What is the rule in this regard?

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) : I am afraid, since, at that time, I was not in the Chair, I will make a reference to it.

SHRI FALI S. NARIMAN (Nominated) : Sir, this requires some consideration by the Members of this House. The point which the Minister has raised, apart from the fact whether the colleague happens to be his or our friend, and so on, the importance of the point is that when a person does so disclose his interest and participates in a debate, then, a serious view has to be taken by this House. Since we are all now very concerned about all our privileges, all our perks, all our salaries and things of that sort,

which we are going to now vote upon, I think, the people also wish to know whether we are at all attempting to use this House for the benefit of any particular individual. I have no doubt that Mr. Jethmalani did not intend to do that. But the question is not of intention. The question is, how one reads this submission. As I told Mr. Nilotpal Basu, it is my firm belief that, in fact, he should not have participated at all in this debate, knowing the pros and cons.

This is a matter of some seriousness. Otherwise, we land ourselves in such a position that we say one thing outside, we come back and say something else in the House; we have absolute privilege of what we say; there is nobody who can question as to what we say; no one can say a thing; no one can sue us for what we say. This is a very serious matter on which, actually, you should, in consultation with the Chairman of the House also, have some sort of ruling. We have not yet adopted a code of ethics; it is still in the process of being adopted so that some rules are framed; but this matter requires a very deep consideration of the Members of the House. I am very junior in this House. But I do wish that senior colleagues of mine in this House would take a very serious notice of this.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): You are a senior legal luminary. *(Interruptions)* What you said is well taken and is really to the point. It is of urgent importance. Though there is no specific rule, the procedure has been that while participating in the proceedings of the House, if a Member has any personal, pecuniary, direct interest in the matter before the House or a committee, propriety demands that he should decide for himself whether to participate in such proceedings or not. This is the position. Another occasion arose, and that was sometime in 1993. As you know, in the other House, there is a specific rule on that. You have also referred to the Ethics Committee. ...*(Interruptions)*...

SHRI NILOTPAL BASU: Sir, it has to be at the level of the hon. Chairman. At the same time, let us not digress from the main issue which we were discussing. This can be, subsequently, addressed by the Chairman in a manner that he thinks appropriate. ...*(Interruptions)*... I agree with Mr. Nariman. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): About the ruling, we would see later. There is no question of digression from the issue. We should not digress the debate also. ...*(Interruptions)*... That is why, I said, according to propriety, we have to go by this kind of a procedure, which is

laid down earlier. But, so far as the ruling is concerned, the matter would be referred to the Chairperson. So far as the Minister is concerned, he has told me personally also that there is no diversionary tactics adopted. ...*(Interruptions)*...

SHRI SURESH A. KESWANI: The hon. Minister's reply, instead of coming today, can come on Monday, after consulting the Chairman, so that he need not deal with the issue, which, if the Chairman, in his wisdom considers it. It would not be appropriate for the Minister to ignore something if the Chairman so decides that this is an issue on which he has to respond.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): We will make it plain. I have not been able to make myself clear on this. The Minister is prepared to respond to every point. He will do it at an appropriate time. All I said was, so far as the ruling is concerned, this would obviously come after the matter has been considered by the hon. Chairman; but the Minister has a right to reply; and when he replies, he would do his best.

SHRI B.P. SINGHAL: Sir, the hon. Member should have, at the outset, disclosed his interest. *(Interruptions)*

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) : Mr. Singhal, it is all over. Let us get on with the debate now. ...*(Interruptions)*... The Minister would reply. That is all. Whatever the Minister wants to say or clarify on the issue, he would do so. As Mr. Nariman says, the people of the country are also interested in such things. That is why this will be done, and there is no diversionary tactics adopted, so far as the Minister is concerned. ...*(Interruptions)*... I am clear now. ...*(Interruptions)*... Why do you have an argument with me, Mr. Singhal?

SHRI SHANKAR ROY CHOWDHURY (West Bengal): Mr. Vice-Chairman, Sir, I would just like to draw the attention of the hon. House to the fact that we have been debating the procedure of disinvestment at the Central level. I do feel personally that the Government is finding more or less by a trial and error what the correct procedure of disinvestment should be. While we are concerned with the economic as well as, I would like to say, the social aspects of disinvestment, which are not being debated today, except by Shri Janeshwar Mishraji, who made a reference to it, there is a subterranean, almost a subterranean component of disinvestment, which has not found any mention, except in passing, in the House today, and that is, Sir, the disinvestment position in the States. This is a very

comprehensive pamphlet issued by the Government, the hon. Minister here. The figures are rather alarming about which almost no mention has been made. The total investment in the State public sector enterprises is Rs.1,17,760 crores. According to the figures in this pamphlet, there are a large number of public sector enterprises. I am just taking States at random and I am not mentioning the names. At (a) is a State, where the party in power is a Member of the National Democratic Alliance, which has 51 State level public sector enterprises, out of them 21 have been identified for disinvestment and the number of units in which disinvestment procedure has been initiated is ten. Another at (b) is a State that has 65 State level public sector enterprises, and, has identified 27 for disinvestment and the number of units where the process has been initiated is only two. At (c) is a State which has 84 State level public sector enterprises, out of them the process of disinvestment has been initiated only in three, and so on. The list is endless. My point is while we are all concerned about the methodology and the progress, the mistakes being made by the Centre in the process of disinvestment, assuming we accept the fact that disinvestment is an inevitable and a necessary process, I do not think adequate attention is being focused on the state of affairs in our States in which there is a vast amount of public money, both from the Centre as well as the public of those States and the State Budgets invested in their public sector enterprises, and they are running in an equally, if not more, in a wasteful manner without any attention being paid by the Centre or by the States. Here again I would like to make a point. Given the present political climate of the country, the fact that there is often controversy and conflict between the Centre and the States, I would like this House on both sides, Treasury as well as the Opposition, to come forward and evolve some methodology by which not only the larger issue of disinvestment in the joint public sector enterprises of the Centre, on which there is a lot of debate, but also the disinvestment issue of a large number of State level public enterprises, with a huge chunk of money, about which we really do not know as to what is happening in the States, is addressed. Can we find out some methodology to do this? Thank you.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Mr. Virumbi, you have to finish your speech in five minutes because we have the Private Members' Business from 2.30 p.m. onwards.

SHRI S. VIDUTHALAI VIRUMBI (Tamil Nadu): I will try to finish it. Mr. Vice-Chairman, Sir, earlier also, the discussion on disinvestment had

taken place. This clearly shows that it is one amongst the subjects agitating the minds of the people. The hon. Minister's statement itself accepted that since the last Budget Session, 529 questions have been received. This clearly shows that the representatives of the people are also very much concerned about this issue. Sir, after the submission of the Report by the Disinvestment Commission, it has become clear that the process of disinvestment should be delinked from the Budget excercise.

The second point is: during the last ten years -- from 1991 onwards -- all the Budgets put together had a disinvestment target to the tune of Rs. 54,300 crores. Out of that, what we could realise during this one decade is Rs. 19,184 crores. The disinvestment or privatisation itself is not a panacea for all the problems. What we have to address immediately is the efficiency in the private sector and the public sector. I do not want to deal with the issues that have already been raised by my colleagues. But I want to see it from a different angle. As has been said by my colleague in the process of disinvestment, there are twenty-five or twenty-six stages. There is a lot of struggle involved in it. If you go through all the twenty-five or twenty-six stages, the first ten stages, as described in the book 'Disinvestment: Policy and Procedures' are before offering the bid. Sir, once an Advisor is appointed, I think, the Government is entering into an agreement with him with regard to confidentiality. It is to keep the things in confidential till the strategic sale is over and also to see that the price does not come down after the Advisor comes to know the inner position of any company. But, at the same time, when the bidder is actually selected for that, there is a process. In that process -- after the bidder is selected -- there is an issue. I quote, "The proposed strategic sale process, consequent to the submission of expression of interest, involves a detailed due diligence exercise to be undertaken by the bidder followed by submission of technical bid and a financial bid. The due diligence phase involves providing a Bid Pack containing various documents to the bidder. Besides, visits to the data room, site visits to the units of the company form a part of the due diligence phase." The bidder can have the site visits. I agree with it. The bidder can have information regarding the profit and loss account. I agree with that also. But, Sir, as far as the point relating to the bidder's visit to the data room is concerned, I have some reservation. What is the data room? Data room is a computer room containing all the particulars. If you allow him inside the data room, he can get inside information; then there is no purpose in entering into a confidentiality agreement with the Advisor. This is point number one.

My second point is about the enhanced prices. The strategic sales enhance the value of a company. What are the things that actually become a stumbling block, at present? That we have to see. Sir, I quote from the *Economic Times,* dated 11th July. "The code says that an acquirer who intends to acquire shares that, along with his existing shareholding, would entitle him to more than 15 per cent voting rights would be required to make a public offer to acquire at least an additional 20 per cent of the voting capital of the target company. The provision ensures that the minority stakeholders of a company in which a substantial equity is changing hands at an attractive negotiated price, get a chance to sell their stake at the same price. But there is no reason why the minority share-holders in a listed PSU, undergoing a strategic sale, should be denied this benefit." This means what the shareholders of private companies are enjoying, is actually prohibited for the shareholders of the public sector, if it is listed. Therefore, I feel this is stumbling block one. Now, I tell you the stumbling block two. In the VRS, there should be a security net for the labourers. In this regard, I quote, "However, a provision is normally made in agreement documents to ensure that in case of reduction of employee strength, the VRS offered by a company after the disinvestment is not less favourable than the VRS offered by the PSU before disinvestment." The VRS, offered by a company after disinvestment, is mandatory or obligatory, is not clear. But, at the same time, there are some disinvestment policy and procedures, in which they have given some more information. I quote, Sir, ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Mr. Virumbi, there is time factor also. So, instead of quoting, you draw attention. That will be better. ...*(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI: Sir, I can continue after the Private Members' Business. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) : No, but you know the.... ...*(Interruptions)*...

SHRI PREM CHAND GUPTA: Sir, please make it clear whether we will continue it till 2.30, and thereafter the rest of the...(Interruptions) Please clarify it. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) : No, no. That is why I was going to take the sense of the House. *(Interruptions)* Normally, there is no interruption in the Calling Attention. So, I wanted to take the sense of the House, whether we should continue the debate first, and

subsequently take up the Private Members' Business. *(Interruptions)* So, I wanted the sense of the House. ...*(Interruptions)*...

SHRI O. RAJAGOPAL : ...after that we can take the Bill. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): So, you just finish it, and after that we will move to..*(Interruptions)*...

SHRI PRANAB MUKHERJEE (West Bengal): How can you. ...*(Interruptions)*...You must take the consent of the concerned Private Member. We cannot decide in his absence. If he is not here, surely, we can skip over. ...*(Interruptions)*...

SHRI LALITBHAI MEHTA (Gujarat) : I am moving. ...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: No, if you want ...*(Interruptions)*... Then, there is no problem. *(Interruptions)* It is basically the property of the Private Member. If he agrees to it and gives his consent, there is no problem. ...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) : That is why I made this proposition. ...*(Interruptions)*... If the House agrees and the Private Member...*(Interruptions)*...Otherwise, after Mr. Virumbi, we can take up the Private Members' Business, and thereafter revert to this. . *(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI: Mr. Vice-Chairman, Sir, my submission is ...*(Interruptions)*. .

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Now, you see, the consensus seems to be. ...*(Interruptions)*...

SHRI PREM CHAND GUPTA: The Private Member's Bill can be taken upafter...*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Now, we are further losing time. ...*(Interruptions)*...We are further losing time.

SHRI S. VIDUTHALAI VIRUMBI: Mr. Vice-Chairman, Sir, my humble submission is that I have to make two or three points because these are very important. Then, I can continue after the Private Member's Bill. That is my humble submission..*(Interruptions)*...

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI) : No, that will be very difficult. ...*(Interruptions)*...You know, even for good things there has to

be an end. I have, before me, the instructions in such bold letters that remind me that five minutes is the time for the..*(Interruptions)*...

SHRI S. VIDUTHALAI VIRUMBI: Okay, Sir. Then, I will see that it is finished. Sir, I quote "The company shall not retrench any part of its labour force for a stipulated period from the closing date other than any dismissal or termination of employees of the company from their employment in accordance with the applicable staff regulations and standing orders of the Company or applicable law." What is the stipulated period? Does it simply mean the staff regulations and standing orders? What I feel is, it should be decided only with the concurrence of the recognised labour union of that particular public sector unit. Then, the third stumbling block is, when a unit is a public sector unit, all the SC/ST quotas will be there, but when it is privatised, - 50% disinvestment takes place - the SC/ST quotas will be affected. The suggestion you have made in this regard is this. I quote "...to cause the company to provide adequate job opportunities for such persons. Further, in the event of any reduction in the strength of the employees of the company, the strategic partner shall use its efforts to ensure that the physically handicapped persons are retrenched at the end." With regard to SC/STs, they have suggested that the Company should try to appoint them, but no mandatory provision has been made for further continuing the SC/ST quota, after a unit is privatised. Therefore, the SC/ST people who are now working in the public sector units have a feeling that their job will be jeopardised if the company, in which they are working, is privatised or disinvested. The job opportunities for their wards will be jeopardised. So, all these aspects will have to be taken into account before disinvesting in any company.

Then, I would like to put two or three questions to the hon. Minister. In this regard, some advice has been given by the Disinvestment Commission. I would like to know whether that advice has actually been adhered to. It has also advised that Government constitute a disinvestment fund; revamp the voluntary retirement scheme and the employees pension-cum-insurance scheme; give counselling service to those opting VRS; and about the safeguards for officers and the staff who take *bona fide* decisions, i.e. error of judgment. So, all these suggestions have been made by the Disinvestment Commission. I would like to know what action has been taken by the Ministry to protect the interests of the employees of such units. Finally, I would like to say, when a PSU is disinvested, the Government gets some amount. I would say that it should not go merely to the Government

of India account for other purposes; rather, it should be used for such public sector companies as could be made viable. For example, if you invest Rs.800 crores in Hindustan Photo Films, it will become viable. Likewise, the Government Press in Perianaicken palayam, in Tamil Nadu. By investing only a small amount, it can be made viable. Similarly, the Salem Steel Plant; if you invest some amount in it, it will become economically viable. It is not viable only because of the huge interest it has to pay. Therefore, I think, instead of putting the amount, realised through disinvestment, into a general fund, it should be rationally invested in such companies so as to make them economically viable and technically feasible. This way, many public sector units can be saved. Finally, I would say that mere disinvestment, mere privatisation, is not a panacea for all the ills that are there in the public sector units. This is also one of the things. I hope, wherever necessary, it would be done only with the concurrence of the labour unions of the concerned public sector units. As far as possible, the Government should keep the public sector units with it. With these words, I conclude. Thank you.

PRIVATE MEMBERS' BILLS

The High Court of Gujarat (Establishment of A Permanent Bench at Rajkot) Bill, 2000 - Contd.

THE VICE-CHAIRMAN (SHRI T.N. CHATURVEDI): Shri Lalitbhai Mehta to continue.

श्री ललितभाई मेहता (गुजरात) : उपसभाध्यक्ष महोदय, गुजरात उच्च न्यायालय की स्थायी न्यायपीठ राजकोट में स्थापित करने के बारे में मैंने सदन में पिछली बार अपने कुछ विचार प्रकट किए थे। महोदय, 1985 में जसवंत सिंह कमीशन बना था, मैं उसका उल्लेख कर रहा था। उन्होंने हाई-कोर्ट की बैंच स्थापित करने के लिए 21 मापदंड दिए थे। मैं उन सभी मापदंडों का जिक्र तो यहां नहीं करना चाहता लेकिन एक मापदंड का जिक्र मैं अवश्य करूंगा। वह मापदंड यह था कि जहां पर उच्च न्यायालय की बैंच स्थापित करने जा रहे हैं, क्या वह केन्द्रवर्ती जगह है?

उपसभाध्यक्ष महोदय, मैं यह निवेदन करना चाहता हूं कि राजकोट, सौराष्ट्र और कच्छ का केन्द्रीय स्थान है। राजकोट सभी दिशाओं से - उत्तर, दक्षिण, पूर्व, पश्चिम दिशा से केन्द्र में पड़ता है और 200-250 किलोमीटर के अंतर पर सभी लोग वहां पर पहुंच सकते हैं। लेकिन द्वारका, पोरबंदर और वेरावल से अगर आप गांधीनगर और अहमदाबाद जाना चाहेंगे तो 450-500 किलोमीटर का फासला होगा, डांग जिले से भी 450-500 किलोमीटर का फासला होगा।

महोदय, जब नया गुजरात राज्य बना था, उस समय राजकोट में यूनिवर्सिटी नहीं थी